CENTRAL STATISTICAL OFFICE

Economic Trends

ARTICLES

National income and expenditure in the third quarter of 1975

Developments in methods of estimating manufacturers' stock changes

No 267
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Release dates of economic statistics to be published in February 1976

This list is published by the Government Statistical Service as a guide to the dates of publication of major economic series in February. The dates are those which Departments, or other organisations concerned, are aiming at, and would normally expect to meet. Exceptionally, there may be a delay resulting from unavoidable statistical problems of collection and compilation. Further enquiries about individual series should be addressed to the source named.

February 1976	Series	Method of release	Source
Tues 3	United Kingdom official reserves (January)	PN	HM Treasury
	Capital issues and redemptions (during month of January)	PN	Bank of England
Thurs 5	CBI Industrial Trends Survey (January)	PN	CBI
	Provisional figures of vehicle production and estimates of new car registrations (January-provisional)	PN	D of Industry
Fri 6	Consolidated Fund and National Loans Fund (January)	LG	HM Treasury
Mon 9	Hire purchase and other instalment credit business (December)	PN	D of Industry
	Retail trade (December-final)	PN	D of Industry
	Wholesale prices index numbers (January)	PN	D of Industry
Wed 11	London clearing banks' monthly statement (mid-January)	PN	Ctte. LCB
	UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-January)	PN	Bank of England
Thurs 12	Index of industrial production (December)	PN	CSO
Fri 13	Retail prices index (January)	PN	D of Employment
	Building societies' receipts and loans (January)	PN	Building Societies Assn.
	Crude steel production (January)	PN	BSC/BISPA
	Finished steel consumption and stock changes (4th qtr-provisional)	PN	D of Industry
	Balance of payments current account and overseas trade figures incorporating the import and export unit value and volume index numbers and the terms of trade (January)	PN	D of Trade/CSO
Mon 16	Retail trade (January-provisional)	PN	D of Industry
	Turnover of the motor trades (4th qtr)	PN	D of Industry
	Turnover of the catering trades (December)	PN	D of Industry
Wed 18	Basic rates of wages and normal weekly hours (January)	PN	D of Employment
	Monthly index of average earnings (December)	PN	D of Employment
	Preliminary estimate of gross domestic product based on output data (4th qtr)	PN	CSO
Thurs 19	Car and commercial vehicle production (January-final)	PN	D of Industry
	Building society house prices and mortgage advances (4th qtr)	PN	D of the Environment
	Consumers' expenditure (2nd preliminary estimate) (4th qtr)	PN	CSO
Fri 20	New vehicle registrations (January)	PN	D of the Environment
Sun 22	National savings monthly progress report (January)	PN	National Savings Ctte.
Mon 23	UK banks' assets and liabilities and the money stock (mid-January)	PN	Bank of England
	London dollar and sterling certificates of deposit (mid-January)	PN	Bank of England
Tues 24	Unemployment (February-provisional)	PN	D of Employment
	Unfilled vacancies (February-provisional)	PN	D of Employment
Wed 25	Slum clearances (4th qtr-final)	PN	D of the Environment
	Housing starts and completions (January-provisional)	PN	D of the Environment
	House renovation grants approved (January-provisional)	PN	D of the Environment
Thurs 26	Unemployment (January-final)	Gazette	D of Employment
	Employment in production industries (December)	Gazette	D of Employment
	Overtime and short-time working in manufacturing industries (December)	Gazette	D of Employment
	Stoppages of work due to industrial disputes (January)	Gazette	D of Employment
	Capital expenditure by the manufacturing, distributive and service industries (4th qtr-provisional)	PN	D of Industry
	Manufacturers' and distributors' stocks (4th qtr-provisional)	PN	D of Industry
	Energy trends	PN	D of Energy
Fri 27	Sales and orders in the engineering industries (November)	T and I	D of Industry
	Construction – new orders (December)	PN	D of the Environment
	Bricks and cement production (January)	PN	D of the Environment

PN=*Press Notice* LG=*London Gazette* T and I=*Trade and Industry*

CENTRAL STATISTICAL OFFICE

Economic Trends

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Introduction

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a Calendar of current economic events. It is important to note that data included in this section may not be wholly consistent with other series shown in the publication which have gone to press earlier.
- The main section shows the movement of the key economic indicators over about the last 5 years. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base date for convenience of comparison.
- A further chart shows the movements of 4 composite indices over 19 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately movements in all of the 18 indicators which make up the composite indices.

In addition, quarterly articles on national accounts appear in the January, April, July, October issues and on balance of payments in the March, June, September, December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology. The regular 'Round-up' feature contains notes on relevant articles appearing in other government publications, news of developments in economic statistics and brief synopses of new publications.

Notes on tables

1. This issue contains information available to the CSO on 16 January in respect of the main tables and charts. The 'Latest developments' section may contain later information.

2. Statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

Symbols used:

.. not available or not meaningful
– nil or less than half the final digit shown
§ series for which measures of variability are given on page 68
† indicates that the series has been revised since last issue; the period marked is the earliest in the table to have been revised

Government Statistical Service

A service of statistical information and advice is provided to Government by specialist staffs employed in the statistics divisions of individual Departments. Statistics are made generally available through their publications and further information and advice on them can be obtained from the Department concerned. The sources of the series published in this volume and further information about them are shown in the index.

Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone 01-233 6135/6193.
Enquiries about orders and subscriptions should be made to the publisher, Her Majesty's Stationery Office, PO Box 569, London SE1 9NH. Telephone 01-928 6977.

Contents

Page

Introduction 1

Latest developments in the economy 3

Tables and charts

Gross domestic product at factor cost 6
Expenditure on the gross domestic product 8
Personal disposable income and consumption 10
Real consumers' expenditure—component categories 10
Retail sales, new registrations of cars and hire purchase debt 12
Shares of income and expenditure 14
Estimates, *per capita*, income, product and spending 14
Gross domestic fixed capital formation by sector and by type of asset 16
Indicators of fixed investment by manufacturing industry 18
Department of Industry inquiry into investment intentions: manufacturing industry 18

Indicators of fixed investment in dwellings 20
Stock changes 22
Stock ratios 22
Inland energy consumption 24
Index of industrial production 26
Index numbers of output 28
Engineering and construction: output and orders 30
Motor vehicle production 32
Output per person employed 34

National employment and unemployment 36
Regional unemployment rates 38
Wage rates and earnings 40
Prices 42
Visible trade 44
Balance of payments: current account 46
Analysis of total currency flow and official financing 48
Money stock 50
Money stock and public sector borrowing requirement 52

Public sector expenditure 54
Public sector receipts 54
Sector financial accounts 56
Appropriation account of companies 58
Sources and uses of capital funds of industrial and commercial companies 60
Selected liquid assets of industrial and commercial companies 60
Bank advances to United Kingdom residents by banks in Great Britain 62
Eligible liabilities 62
Interest rates, security prices and yields 64

Cyclical indicators for the United Kingdom economy 66

Measures of variability of selected economic series 68

Articles

National income and expenditure in the third quarter of 1975 Central Statistical Office 70
Developments in methods of estimating manufacturers' stock changes Department of Industry 94

Round-up : What's new in economic statistics 100

Index of sources 101

Other

Release dates of economic statistics to be published in February *inside front cover*
Articles published in recent *Economic Trends* *inside back cover*

Latest developments in the economy[1]

Data available at 22 January 1976

Consumers' expenditure

Preliminary estimates suggest a slight reduction in the volume of consumers' expenditure between the third and fourth quarters. The early estimate of retail sales in December indicates little change in the volume of trade in recent months. New car registrations in December were at much the same level as in the previous two months, but the average level in the fourth quarter was well below that in the previous quarter.

Investment intentions

The latest Department of Industry survey (which took place before the measures to control certain imports and relax hire purchase restrictions were announced on 17 December) indicates that there will be a further year-on-year fall of 5 to 8 per cent in the volume of investment by manufacturing industry in 1976, followed by a large increase in 1977. The volume of investment by distributive and service industries (excluding shipping) is expected to decline by some 2 to 5 per cent in 1976, followed by little change in 1977.

Output

Latest estimates suggest that industrial output, after a sharp decline earlier in the year has now at least levelled out. The index of production was 1½ per cent higher in the three-month period September to November than in the previous three months. Steel production in December was 23 per cent below the corresponding level in 1974. For 1975 as a whole, production was 10 per cent lower than in 1974. Car output fell in December and was 16 per cent below the monthly average for 1974.

Stocks

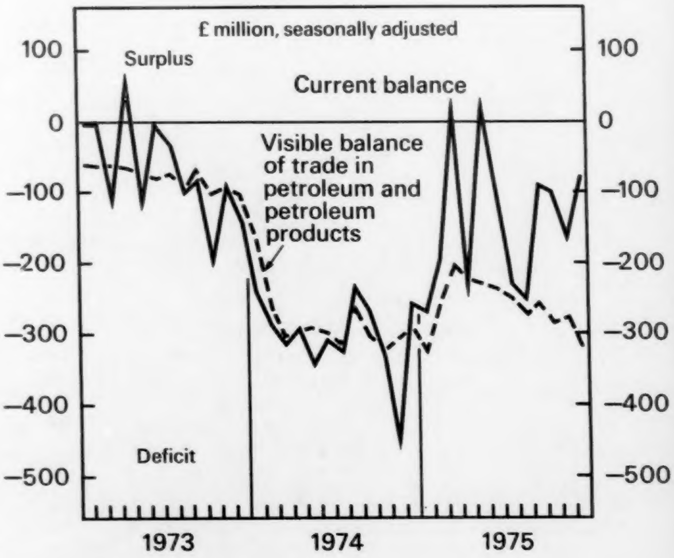
The level of manufacturers' stocks fell by about £210 million between the second and third quarters of 1975 and it is provisionally estimated that it fell by a further £90 million in October. Retailers' stocks increased by £60 million in the third quarter of 1975 and it is provisionally estimated that they increased by a further £70 million in the first two months of the fourth quarter.

Trade and balance of payments

In the fourth quarter of 1975, the deficit on visible trade was £708 million compared with £965 million in the third quarter. The volume of exports was 7 per cent higher in the latest quarter while the volume of imports rose by ½ per cent; however, there was a fall of 1½ per cent in the terms of trade index.

In December, the current account was estimated to have been in deficit by £79 million. The deficit on trade in goods was £199 million; the balance on services and other current transactions was estimated to have been running at a monthly surplus of about £120 million.

For 1975 as a whole, the current account deficit was estimated to have been £1,687 million compared with £3,668 million in 1974.



Housebuilding

In the three months ending November, housing starts in Great Britain were up 10 per cent on the previous three months and 48 per cent higher than a year earlier, whilst total completions were up 3 per cent and 21 per cent respectively.

Financial position of industrial and commercial companies

There was a further increase in the financial deficit of industrial and commercial companies between the second and third quarters of 1975, mainly arising from increased expenditure on fixed assets. The level of the deficit, however, was considerably less than in the corresponding quarter of 1974.

Earnings and wage rates

The index of average earnings rose by just over 1½ per cent in November. The index was 21·2 per cent higher than in November 1974.

The index of basic weekly wage rates (not seasonally adjusted) rose by 1·3 per cent in December mainly due to increases for certain workers employed in agriculture, the National Health Service, and catering establishments. The year-on-year increase in the index was 25·3 per cent.

Prices (not seasonally adjusted)

The index of retail prices for December was 146·0 (January 1974=100) representing an increase of 1·2 per cent on November and 24·9 per cent on December 1974.

All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

Wholesale prices index figures for December suggest that the prices of home sales of all manufacturing industry rose by 1¼ per cent, but that half of this was due to the sharp rises in the prices of petroleum products. The rate of inflation in the fourth quarter was slightly above that in the previous quarter. The prices of materials and fuel purchased by manufacturing industry rose by a further 1 per cent in December but there was some slowing down in the recent surge in the prices of raw materials.

Unemployment and vacancies

The number of unemployed (Great Britain) excluding school-leavers and adult students increased by 41,000 to 1,159,000 in January (5·1 per cent of all employees). In the last three months there has been an increase on average of 39,000 a month. The number of vacancies notified to employment offices decreased by 5,000 to 107,000 in January. In the last three months there has been a decrease on average of 5,000 a month.

Short-time working (not seasonally adjusted)

In the week ending 15 November, 1975 177,000 operatives in manufacturing industries in Great Britain were on short-time working, as compared with 152,000 in the week ending 18 October 1975. Forward estimates for mid-January suggest a reduction of around 35,000 from the mid-November figure.

Money stock

The broader version of money stock (M_3) fell by about ½ per cent in December whilst the narrower version (M_1) rose by a similar percentage. Sterling lending to the private sector fell by some £120 million, following modest increases in the previous two months. Sterling lending to the public sector rose again after having fallen in November for the first time in several months.

Economic events

December 1975

18 The Chancellor said that a wealth tax would not be introduced in the current Parliamentary session in view of the length of time the Select Committee had taken to produce its report.

New measures to help firms with finance for exports were announced by the Trade Secretary, including a more flexible cost-escalation insurance scheme.

The EEC Parliament approved the 1976 Budget of £3·15 billion.

19 The House of Commons Expenditure Committee called for the reform of public expenditure control.

Japanese motor manufacturers agreed to limit voluntary car sales in the UK for the first quarter of 1976, to the low levels of the past three months.

23 A pay agreement was reached between the British Steel Corporation and blast furnacemen at the Llanwern plant, ending a year-long dispute. Production on the new furnace was expected to start in six weeks.

The European Commission gave official approval to the UK Government's rescue plan for Chrysler.

24 Junior hospital doctors, who had been taking industrial action over their new contracts, resumed work.

Minimum lending rate was cut by ¼ per cent to 11¼ per cent.

28 The Prime Minister, in a radio interview, warned of 'hard times ahead' and certainly a hard 1976.

29 The Equal Pay Act and the Sex Discrimination Act came into force.

30 The British Steel Corporation confirmed that it wanted to cut its workforce by 44,000 to offset estimated weekly losses of over £8m.

31 The Chancellor, in his new year message in the *Financial Times*, looked forward to 1976 as a year of opportunities, and stressed the need to concentrate on exports and investment.

January 1976

1 The International Monetary Fund's board of directors approved the loans to Britain totalling $2 billion (1.7bn SDR).

2 Minimum lending rate fell another ¼ per cent to 11 per cent, and Lloyds Bank cut its base lending rate from 11 per cent to 10½ per cent.

The Chrysler workers at the Ryton (Coventry) plant finally voted in favour of the rescue plan, so meeting the deadline for all the unions involved to agree to the plan.

4 In a television interview, the Chancellor spoke of the continuing need for an effective incomes policy, and the possibility of tax relief for people earning between £4,000 and £8,000 a year.

Over 4,000 steel workers staged strikes and sit-ins as the beginning of protests against the Steel Corporation's cost-cutting programme.

The *Financial Times* Monthly Survey of Business Opinion reported that firms were showing more confidence.

5 The Department of Industry's Investment Intentions Survey predicted that investment would fall again (by 5 to 8 per cent) in 1976 but rise rapidly in 1977.

6 An independent audit of junior hospital doctors' overtime pay bill showed it £2·3m higher than the Government estimate for the year 1975/76.

The British Steel Corporation's 67,000 manual workers reached a pay agreement, giving rises of 5 per cent.

7 The Tindemans report on European Economic and Monetary Union was published.

The latest CBI Survey of trends suggested that orders, especially export orders, were picking up.

Limitations on the amount of money available for local authority mortgages were announced by the Environment Secretary, as part of cuts in housing expenditure.

8 Finance ministers at the IMF meeting in Jamaica agreed on a set of monetary reforms, including the sale of some IMF gold stocks, partly to finance a Trust Fund to help less developed countries, and the legalisation of floating exchange rates. An increase of 45 per cent in all IMF loan facilities was agreed to operate until the proposed one-third increase in quotas is ratified in a year's time. The Chancellor said the conference was a major step towards ending the world recession.

10 The House of Commons Expenditure Committee is to investigate the pay, conditions and manning of the Civil Service.

12 The other big clearing banks followed Lloyds in cutting base rates to 10·5 per cent.

13 The UK letters of application to the IMF for loans were published. The Public sector borrowing requirement could reach £12 billion in the year 1975/76, but there would be a curb on domestic demand the following year.

14 At a NEDC meeting on industrial strategy, it was announced that a further £30 million would be made available to help industry to modernise, and the conditions for assistance would be relaxed.

In evidence to the Select Committee investigation of the Chrysler rescue, the Industry Secretary Mr Varley said that closure of all Chrysler's operations would have cost public funds £150m from resulting unemployment, and a loss to the balance of payments.

The TUC urged the Chancellor to take action to reduce unemployment to a target figure of 600,000.

15 The Bank of England is to repay temporarily £325m of special deposits to the banking system to avert a squeeze on the money markets as a result of high sales of gilt-edged stocks.

16 Minimum lending rate was cut by a further ¼ per cent to 10¾ per cent.

19 At the end of a four-day debate on devolution, the vote was 295-37 in favour of a 'take note' motion on the Government's White Paper.

The Industry Secretary urged the steel unions to co-operate with the BSC on manning reductions, but the unions refused to accept the plans.

20 The price of gold fell by $4½ to $124½, the lowest price for 2 years.

Selected monthly indicators[1]

		Seasonally adjusted						Unadjusted		Seasonally adjusted			
		1971 =100	Thousands	1970 =100	Thousands		Jan. 1970 =100	1970 =100	Jan. 1962 =100[2]	£ million			
		Volume of retail sales (GB)[3,4] §	New registrations of cars (GB)§	Index of industrial production[5] §	Unemployment[6] (GB)§	Vacancies[7] (GB)§	Average earnings (all employees) (GB)§	Wholesale prices of materials and fuel[8]	General index of retail prices (all items)	Balance of payments current account			Money stock M_3 [9]
										Exports (f.o.b.)§	Imports (f.o.b.)§	Current balance	
1973	D	112·6	103·0	107·8	479·7	359·5	161·0	175·1	188·2	1,094	1,421		31,850
1974	J	109·1	92·9	103·4	538·0	305·5	154·3[10]	209·5	100·0	1,036	1,420	−845	32,560
	F	110·1	109·0	103·8	551·6	278·6	156·6[10]	213·1	101·7	1,200	1,630		33,260
	M	110·0	106·1	106·0	546·9	274·7	166·4	215·0	102·6	1,254	1,712		33,440
	A	107·9	96·5	107·7	546·1	298·0	164·8	215·4	106·1	1,296	1,719	−948	33,530
	M	105·6	105·3	107·6	548·1	315·3	169·5	214·0	107·6	1,315	1,790		33,850
	J	108·2	111·0	108·4	562·4	318·7	176·2	211·7	108·7	1,385	1,823		33,770
	J	109·2	105·7	108·9	576·8	316·5	181·4	212·3	109·7	1,357	1,807	−823	34,710
	A	111·4	101·9	108·9	596·5	300·8	185·9	213·7	109·8	1,413	1,771		35,260
	S	112·2	118·5	107·2	603·2	301·1	189·0	212·8	111·0	1,461	1,852		35,200
	O	111·4	101·9	105·7	606·5	293·5	191·8	220·1	113·2	1,381	1,843	−1,052	35,350
	N	112·8	98·3	105·5	612·8	272·5	200·8	223·8	115·2	1,338	1,920		35,710
	D	110·8	86·9	103·0	..[11]	..[11]	208·3	222·5	116·9	1,450	1,834		35,710
1975	J	113·0[4]	110·7†	105·5	678·0[12]	..[11]	206·2	221·1	119·9	1,510†	1,926†	−432	36,140
	F	112·3	114·0	105·2	704·5	192·4	209·9	218·8	121·9	1,479	1,815		36,510
	M	109·4	97·8	103·6	721·5	186·1	212·8	221·9	124·3	1,545	1,654		36,850
	A	120·2	89·6	101·5	759·9	173·3	215·4	222·9	129·1	1,366	1,725	−343	36,920
	M	102·5	91·4	99·4	816·7	155·6	217·7	226·2	134·5	1,613	1,689		37,480 37,470
	J	104·5	95·7	99·7	863·7	141·3	221·2	227·7	137·1	1,484	1,728		37,360
	J	104·7	90·1	100·6	937·8	128·8	231·6	233·2	138·5	1,564	1,926	−584	37,630
	A	104·9	93·2	98·8	967·1	134·0	234·0	241·4	139·3[4]	1,492	1,875		38,370†
	S	106·0	131·2	100·5	997·2	134·8	237·9	243·2	140·5	1,586	1,806		38,640
	O	105·3	85·2	101·7†	1,042·8	123·7	239·5†	251·7[13]†	142·5	1,739	1,961	−102†	39,010
	N	105·9†	83·6	101·8	1,079·3	114·8	243·5	256·1[13]	144·2	1,637	1,924	−167	38,730
	D	106·5[13]	84·2		1,118·0[13]	112·5[13]		258·6[13]	146·0	1,767	1,966	−79	38,560
1976	J				1,159·0[13]	107·2[13]							
Percentage change, latest three months on previous three months													
1975	S	−3·1	+13·7	−0·2†	+18·9	−15·4	+7·5	+6·0	+4·4	+4·0	+9·0†	..	..
	O	+1·4	+11·7†	+0·4	+14·9	−7·8	+6·1	+7·1	+3·0	+3·4†	+5·6	..	+3·2†
	N	+1·1	+7·5	+1·6	+12·7	−7·6	+5·0	+6·9	+3·0	+9·3	+2·9	..	+2·7
	D	+0·6[13]	−19·6		+11·7	−11·7		+6·8	+3·4	+10·8	+4·4	..	+1·5
1976	J				+11·6	−14·8							
Percentage change, latest three months on corresponding period of previous year													
1975	S	−5·1	−3·6†	−7·7	+63·4	−56·7	+26·5	+12·3	+26·6	+9·7†	+3·3	..	..
	O	−5·6	−3·9	−6·5†	+66·5	−56·2	+25·5	+13·9	+26·4	+13·2	+3·2†	..	..
	N	−5·6†	−5·9	−4·5	+71·2	−57·0	+24·0	+14·4†	+25·9	+18·7	+1·4	..	..
	D	−5·1[13]	−11·9		..	..		+15·0	+25·3	+23·4	+4·5	..	..
1976	J				..	..							

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[1] Data given may not be wholly consistent with that shown elsewhere in the publication.

[2] The current series is based on 15 January 1974=100; the retail prices index based on January 1962=100 was 191·8 at that date.

[3] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.

[4] See footnote [2] on page 12.

[5] All industries covered.

[6] Unemployed excluding school-leavers and adult students.

[7] Vacancies notified to employment offices.

[8] Purchased by manufacturing industry.

[9] At mid-May 1975 new statistical returns were introduced. The first line of figures for mid-May and mid-June 1975, includes a number of estimates to provide reasonable consistency with earlier dates.

[10] The figures reflect temporary reductions in earnings while three-day working and other restrictions were in operation.

[11] Figure not available due to industrial action.

[12] Estimate of 20 January 1975.

[13] Provisional.

6

Tables and charts

Gross domestic product at factor cost[1] and national disposable income revalued at 1970 market prices[2]†

Seasonally adjusted

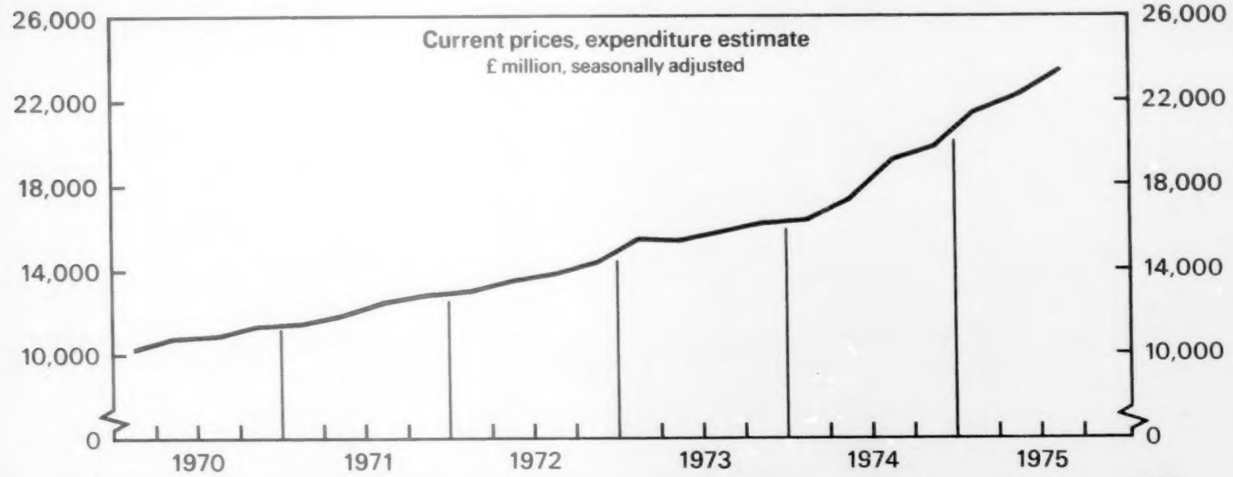
		Gross domestic product at factor cost									National disposable income
		At current prices				At 1970 factor cost					At 1970 market prices
		£ million		1970=100		£ million	1970=100				1970=100
		Based on:		Based on:		Based on:	Based on:				
		expenditure data	income data	expenditure data	income data	expenditure data	expenditure data §	income data[3] §	output data §	Average estimate §	Average estimate
1964		29,255	29,049	67·6	67·3	37,678	87·1	86·7	86·9	86·8†	86·2
1965		31,237	31,248	72·2	72·4	38,633	89·3	89·5	89·3	89·4	88·9
1966		33,139	33,000	76·6	76·4	39,402	91·1	90·9	90·9	91·0	90·6
1967		34,956	34,634	80·8	80·2	40,401	93·4	92·7	92·5	92·9	92·3
1968		37,475	37,300	86·6	86·2	41,864	96·8	96·2†	96·5†	96·5	95·3
1969		39,386	39,444	91·1	91·1	42,452	98·2	98·2	98·3	98·2	97.4
1970		43,252	43,277	100·0	100·0	43,252	100·0	100·0	100·0	100·0	100·0
1971		48,787	48,270	112·8	111·5	44,216	102·2	101·1	101·6	101·6	102·1
1972		54,679	54,471	126·4	125·9	44,954	103·9	103·5	104·5	104·0	105·1
1973		62,925	62,557	145·5	144·6	47,334	109·4	108·7	110·5	109·6†	109·8
1974		72,625	71,889	167·9	166·1	47,796†	110·5	109·3	109·6	109·8	105·0
1970	*1*	10,278	10,208	95·1	94·3	10,653	98·5	97·8	99·2	98·5	99·3
	2	10,709	10,768	99·0	99·5	10,833	100·2	100·7	99·7	100·2	
	3	10,899	11,030	100·8	101·9	10,825	100·1	101·3	100·5	100·6	100·7
	4	11,366	11,271	105·1	104·2	10,941	101·2	100·3	100·6	100·7	
1971	*1*	11,443	11,446	105·8	105·8	10,800	99·9	99·8	100·3	100·0†	100·8
	2	11,955	11,846	110·6	109·5	10,984	101·6	100·6	101·5	101·2	
	3	12,565	12,349	116·2	114·1	11,218	103·7	101·9	102·0	102·6	103·3
	4	12,824	12,629	118·6	116·7	11,214	103·7	102·0	102·4†	102·8	
1972	*1*	13,044	12 702	120·6	117·4	11,009	101·8	99·1	101·4	100·8	103·9
	2	13,501	13,425	124·9	124·1	11,288	104·4	103·8	104·6	104·2	
	3	13,781†	13,839	127·4	127·9	11,219	103·8	104·2	105·2	104·4	106·3
	4	14,353	14,505	132·7	134·1	11,438	105·8	106·9	107·0	106·5†	
1973	*1*	15,544	15,130	143·8†	139·8	12,014†	111·1†	108·1†	110·8	110·0	110·3
	2	15,364	15,371	142·1	142·1	11,791	109·0	109·1	109·9	109·3	
	3	15,862	15,759	146·7	145·7	11,829	109·4	108·6	110·8	109·6	109·3
	4	16,155	16,297	149·4	150·6	11,700	108·2	109·1	110·6	109·3	
1974	*1*	16,404	15,867	151·7	146·7	11,580	107·1	103·6	107·5	106·1	103·3
	2	17,320	17,116	160·2	158·2	11,971	110·7	109·4	110·0	110·0	
	3	19,201	18,960	177·6	175·2	12,239	113·2	111·8	111·2	112·1	106·7
	4	19,700	19,946	182·2	184·4	12,006	111·0	112·4	109·7	111·1	
1975	*1*	21,407	21,060†	198·0	194·7†	11,939	110·4	108·6	110·0	109·6	105·7
	2	22,242	21,902	205·7	202·4	11,709	108·3	106·6	107·2	107·3	
	3	23,420	22,929	216·6	211·9	11,680	108·0	105·7	106·6	106·8	
	4										
							Percentage change, period on corresponding period of previous year				
1974	*1*	*+ 5·5*	*+ 4·9*	*+ 5·5*	*+ 4·9*	*−3·6*	*−3·6†*	*−4·2*	*−3·0†*	*−3·5*	*−6·3*
	2	*+12·7*	*+11·4*	*+12·7*	*+11·3*	*+1·5*	*+1·6*	*+0·3*	*+0·1*	*+0·6*	
	3	*+21·1*	*+20·3*	*+21·1*	*+20·2*	*+3·5*	*+3·5*	*+2·9*	*+0·4*	*+2·3*	*−2·4*
	4	*+21·9*	*+22·4*	*+22·0*	*+22·4*	*+2·6*	*+2·6*	*+3·0*	*−0·8*	*+1·6*	
1975	*1*	*+30·5*	*+32·7†*	*+30·5*	*+32·7†*	*+3·1*	*+3·1*	*+4·8*	*+2·3*	*+3·3*	*+2·3*
	2	*+28·4*	*+28·0*	*+28·4*	*+27·9*	*−2·2*	*−2·2*	*−2·6*	*−2·5*	*−2·5*	
	3	*+22·0*	*+20·9*	*+22·0*	*+20·9*	*−4·6*	*−4·6*	*−5·5*	*−4·1*	*−4·7*	
	4										

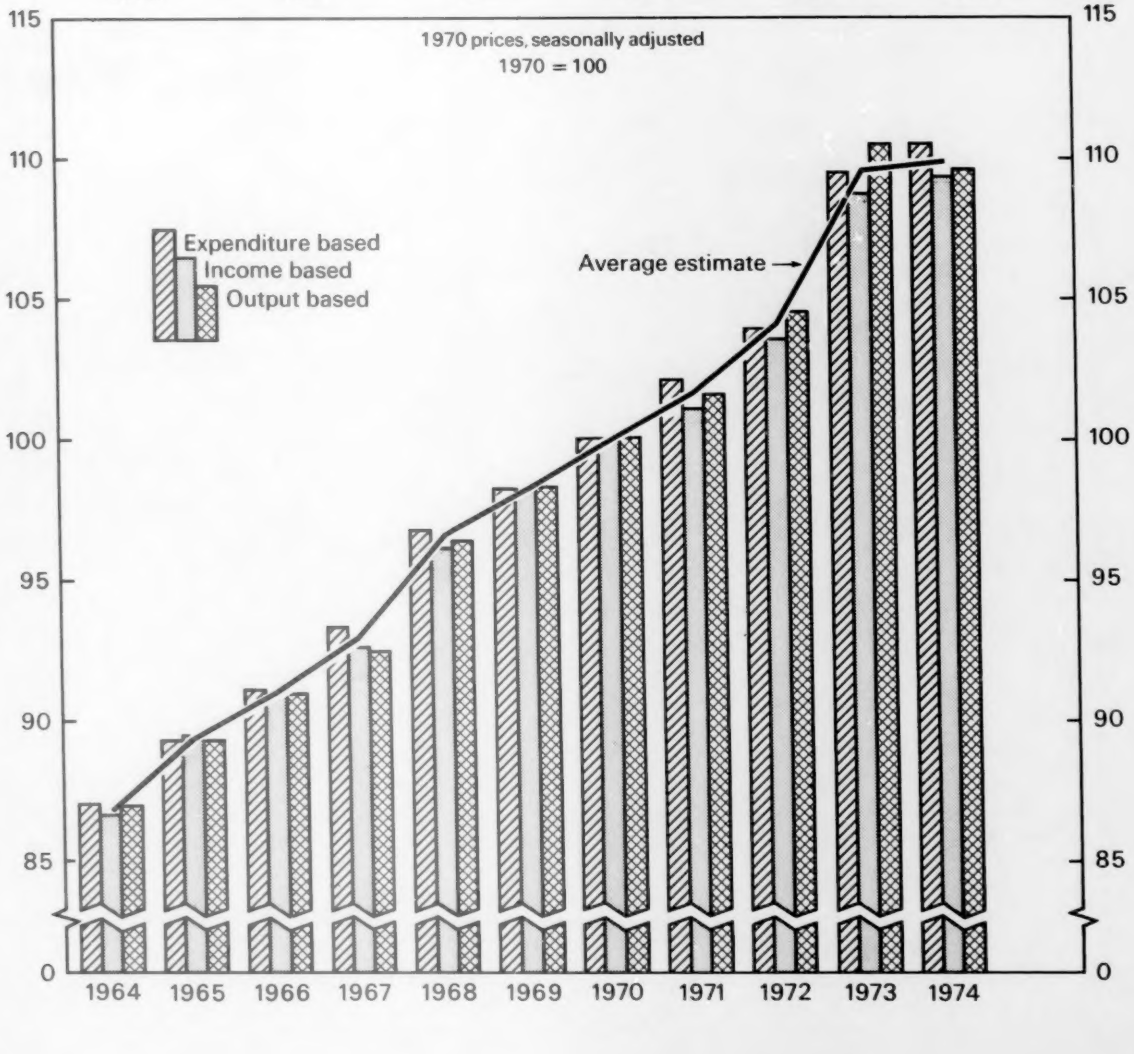
---

[1] These estimates are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

[2] Introduced in an article on page xxviii *Economic Trends* January 1975.

[3] Income data deflated by the price index implied by estimates based on expenditure data.


Current prices, expenditure estimate
£ million, seasonally adjusted
26,000
22,000
18,000
14,000
10,000
0
1970
1971
1972
1973
1974
1975


1970 prices, seasonally adjusted
1970 = 100
115
110
105
100
95
90
85
0
Expenditure based
Income based
Output based
Average estimate
1964
1965
1966
1967
1968
1969
1970
1971
1972
1973
1974

8

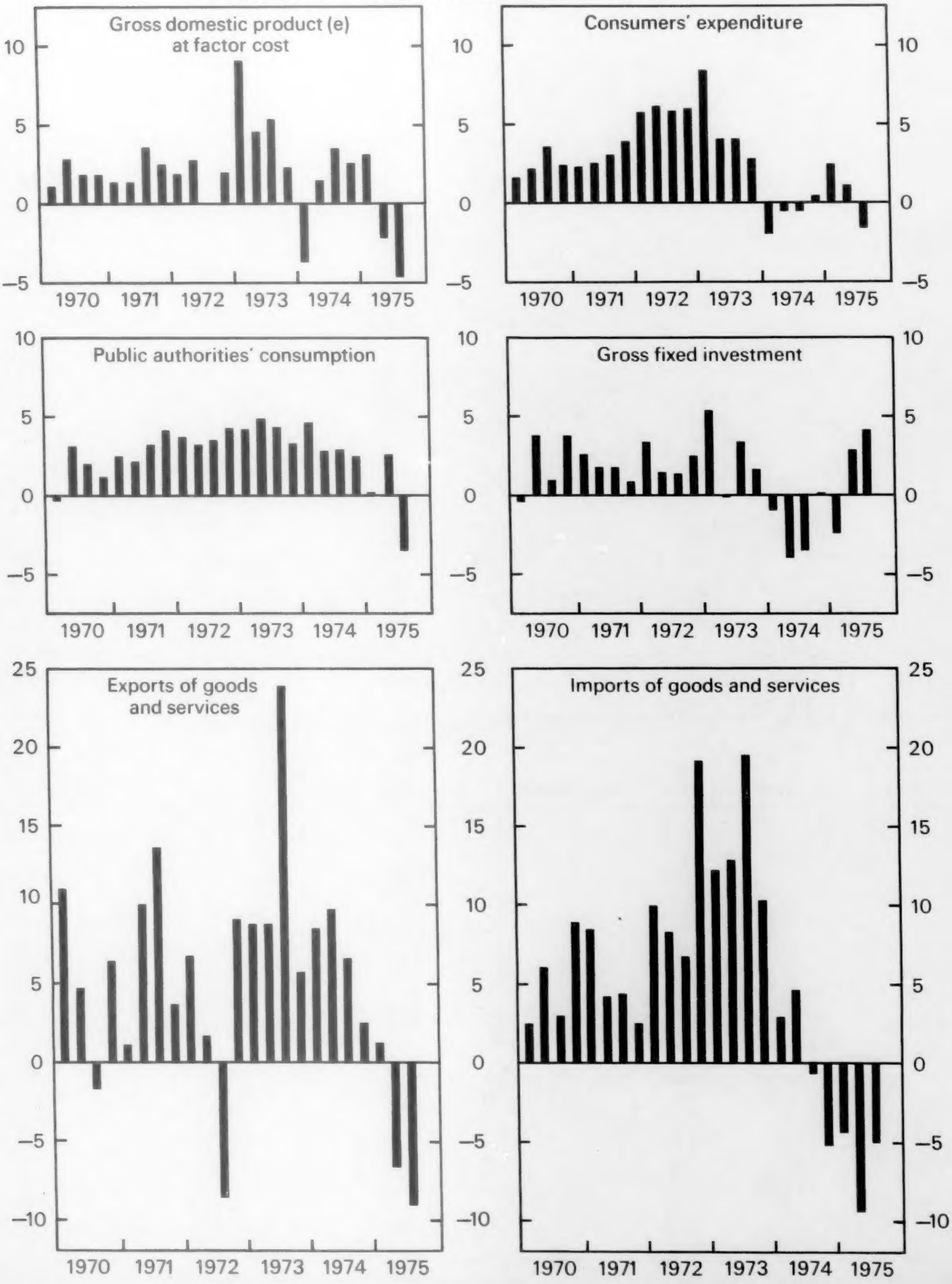
Expenditure on the gross domestic product

Seasonally adjusted

£ million, 1970 prices

		Gross domestic product at factor cost (expenditure based)	Final expenditure on goods and services at market prices						Imports of goods and services §	Adjustment to factor cost
			Total	Consumers' expenditure §	Public authorities' consumption	Gross fixed investment §	Stockbuilding §	Exports of goods and services §		
1964		37,678	52,936	28,330	8,138	7,541	936	7,991	8,487	6,771
1965		38,633	54,002	28,760	8,357	7,899	614	8,372	8,571	6,798
1966		39,402	55,101	29,301	8,595	8,092	412	8,701	8,781	6,918
1967		40,401	56,889	29,869	9,075	8,771	373	8,801	9,373	7,115
1968		41,864	59,202	30,598	9,103	9,175	508	9,818	10,060	7,278
1969		42,452	60,062	30,715	8,960	9,191	456	10,740	10,358	7,252
1970		43,252	61,672	31,472	9,095	9,380	450	11,275	10,887	7,533
1971		44,216	63,445	32,397	9,369	9,544	70	12,065	11,412	7,817
1972		44,954	66,103	34,318	9,716	9,754	− 5	12,320	12,729	8,420
1973		47,334	70,778	35,962	10,121	10,008	960	13,727	14,461	8,983
1974		47,796	71,202	35,741	10,449	9,805	553	14,654	14,500†	8,906
1970	*1*	10,653	15,100	7,732	2,252	2,285	21	2,810	2,612	1,835
	2	10,833	15,471	7,851	2,287	2,356	176	2,801	2,761	1,877
	3	10,825	15,453	7,934	2,280	2,347	165	2,727	2,700	1,928
	4	10,941	15,648	7,955	2,276	2,392	88	2,937	2,814	1,893
1971	*1*	10,800	15,516	7,908	2,308	2,345	115	2,840	2,834	1,882
	2	10,984	15 784	8,045	2,337	2,399	− 77	3,080	2,876	1,924
	3	11 218	16,023	8,176	2,354	2,390	4	3,099	2,819	1,986
	4	11,214	16,122	8,268	2,370	2,410	28	3,046	2,883	2,025
1972	*1*	11,009	16,172	8,357	2,396	2,424	− 36	3,031	3,116	2,047
	2	11,288	16,519	8,536	2,412	2,436	4	3,131	3,116	2,115
	3	11,219	16,362	8,660	2,437	2,423	8	2,834	3,061	2,082
	4	11,438	17,050	8,765	2,471	2,471	19	3,324	3,436	2,176
1973	*1*	12,014†	17,759†	9,056	2,496	2,555	353	3,299†	3,497†	2,248
	2	11,791	17,528	8,886	2,529	2,434	274	3,405	3,517	2,220
	3	11,829	17,726	9,011	2,543	2,506	155	3,511	3,657	2,240
	4	11,700	17,765	9,009	2,553	2,513	178	3 512	3,790	2,275
1974	*1*	11,580	17,429	8,880	2,612	2,532	−174	3,579	3,598	2,251
	2	11,971	17,789	8,841	2,601	2,339	274	3,734	3,679	2,139
	3	12,239	18,100	8,963	2,618	2,418	359	3,742	3,634	2,227
	4	12,006	17,884	9,057	2,618	2,516	94	3,599	3,589	2,289
1975	*1*	11,936	17,640	9,100†	2,614†	2,472†	−171†	3,625	3,439	2,262†
	2	11,709	17,210	8,941	2,666	2,408	−288	3,483	3,332	2,169
	3	11,680	17,289	8,814	2,709	2,517	−157	3,406	3,453	2,156
	4									
				Percentage change, quarter on corresponding quarter of previous year						
1974	*1*	*−3·6*	*−1·9†*	*−1·9*	*+4·6*	*−0·9*	..	*+ 8·5†*	*+ 2·9†*	*+0·1*
	2	*+1·5†*	*+1·5*	*−0·5*	*+2·8*	*−3·9*	..	*+ 9·7*	*+ 4·6*	*−3·6*
	3	*+3·5*	*+2·1*	*−0·5*	*+2·9*	*−3·5*	..	*+ 6·6*	*− 0·6*	*−0·6*
	4	*+2·6*	*+0·7*	*+0·5*	*+2·5*	*+0·1*	..	*+ 2·5*	*− 5·3*	*+0·6*
1975	*1*	*+3·1*	*+1·2*	*+2·5†*	*+0·1†*	*−2·4†*	..	*+ 1·3*	*− 4·4*	*+0·5*
	2	*−2·2*	*−3·3*	*+1·1*	*+2·5*	*+2·9*	..	*− 6·7*	*− 9·4*	*+1·4†*
	3	*−4·6*	*−4·5*	*−1·7*	*+3·5*	*+4·1*		*− 9·0*	*− 5·0*	*−3·2*
	4									

1970 prices, seasonally adjusted, percentage change on year earlier.



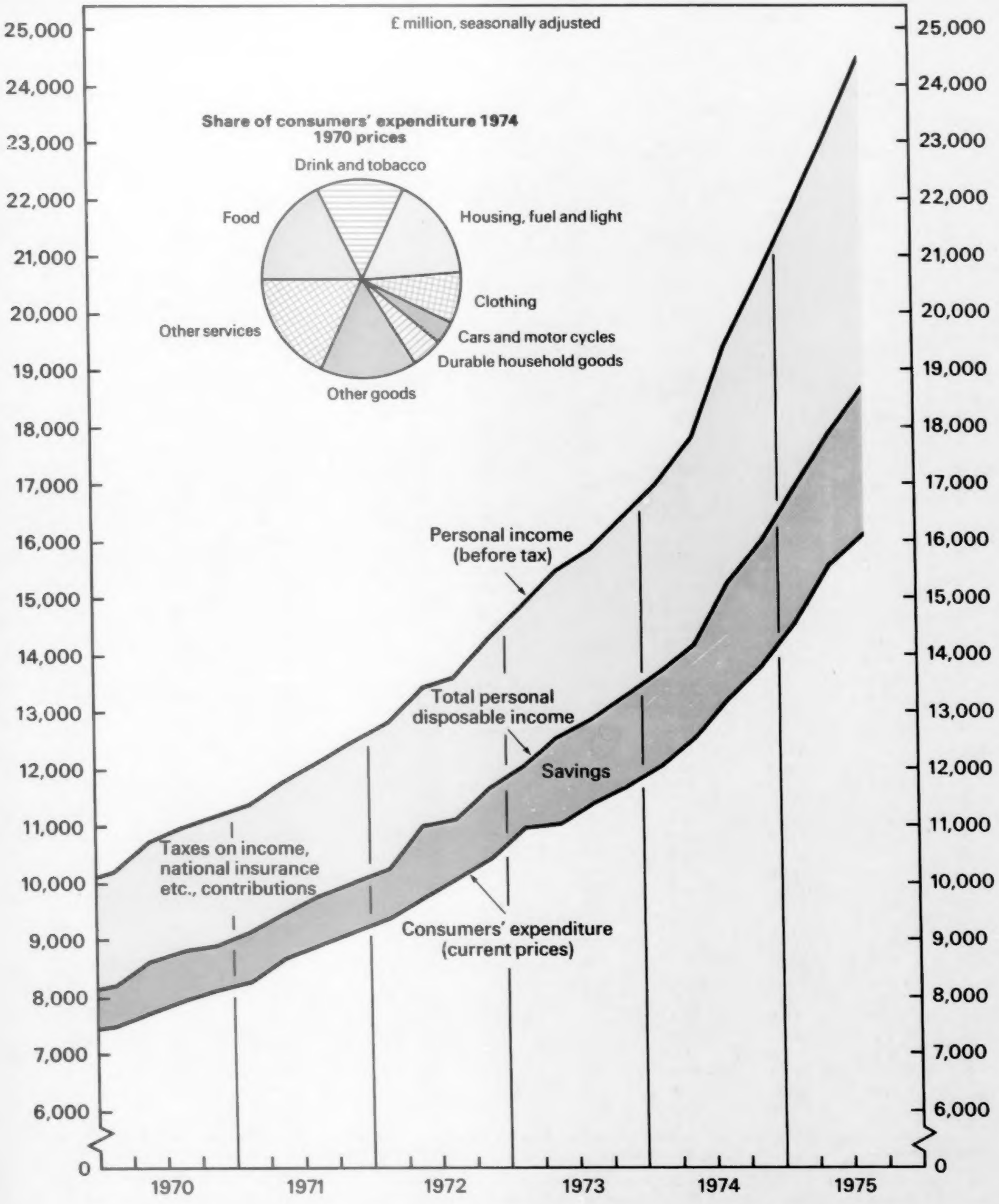
Personal disposable income and consumption

	Seasonally adjusted							
	£ million, current prices				Percentage	1970 prices		
	Personal income before tax		Total personal disposable income[2]	Consumers' expenditure	Personal savings ratio[3]	Real personal disposable income[4]		Real consumers' expenditure §
	Total[1]	*of which:* Wages and salaries				£ million §	1970=100	£ million
1964	27,565	17,765	23,341	21,477	8·0	30,789	88·9	28,330
1965	30,057	19,115	25,048	22,864	8·7	31,507	91·0	28,760
1966	32,165	20,370	26,630	24,246	9·0	32,182	93·0	29,301
1967	33,829	21,140	27,787	25,447	8·4	32,616	94·2	29,869
1968	36,478	22,515	29,712	27,375	7·9	33,210	95·9	30,598
1969	39,066	24,110	31,612	29,033	8·2	33,443	96·6	30,715
1970	43,183	26,830	34,622	31,472	9·1	34,622	100·0	31,472
1971	47,785	29,685	38,491	35,075	8·9	35,552	102·7	32,397
1972	54,124	33,050	44,070	39,635	10·1	38,158	110·2	34,318
1973	62,720	37,970	50,868	45,141	11·3	40,524	117·0	35,962
1974	74,841	45,490	59,201	51,670	12·7	40,950	118·3	35,741
1971 *1*	11,405	7,170	9,191	8,287	9·8	8,771	101·3	7,908
2	11,793	7,335	9,470	8,683	8·3	8,773	101·4	8,045
3	12,119	7,545	9,791	8,952	8·6	8,941	103·3	8,176
4	12,468	7,635	10,039	9,153	8·8	9,067	104·8	8,268
1972 *1*	12,800	7,840	10,252	9,394	8·4	9,122	105·4	8,357
2	13,431	8,150	11,002	9,748	11·4	9,635	111·3	8,536
3	13,595	8,355	11,115	10,085	9·3	9,546	110·3	8,660
4	14,298	8,705	11,701	10,408	11·0	9,855	113·9	8,765
1973 *1*	14,882	9,050	12,062	10,985	8·9	9,946	114·9	9,056
2	15,525	9,390	12,592	11,026	12·4	10,151	117·3	8,886
3	15,888	9,610	12,914	11,413	11·6	10,199	117·8	9,011
4	16,425	9,920	13,300	11,717	11·9	10,228	118·2	9,009
1974 *1*	17,041	10,145	13,719	12,058	12·1	10,107	116·8	8,880
2	17,827	10,840	14,201	12,566	11·5	9,995	115·5	8,841
3	19,404	11,755	15,288	13,233	13·4	10,358	119·7	8,963
4	20,569	12,750	15,993	13,813	13·6	10,490	121·2	9,057
1975 *1*	21,856†	13,795	16,959†	14,575†	14·1†	10,588	122·3	9,100†
2	23,048	14,185	17,852	15,537	13·0	10,273†	118·7†	8,941
3	24,430	15,043	18,659	16,105	13·7	10,212	118·0	8,814
4								

[1] Before providing for depreciation and stock appreciation.
[2] Before providing for depreciation, stock appreciation and additions to tax reserves.
[3] Personal saving as a percentage of personal disposable income.
[4] Personal disposable income revalued by the implied consumers' expenditure deflator (1970=100).

Real consumers' expenditure — component categories

	Seasonally adjusted									
	£ million, 1970 prices									
	Total §	Food	Alcoholic drink and tobacco	Housing	Fuel and light	Clothing including footwear	Durable household goods	Cars and motor cycles	Other goods	Other services
1964	28,330	6,080	3,618	3,481	1,324	2,336	1,275	866	3,843	5,507
1965	28,760	6,081	3,537	3,597	1,371	2,426	1,307	836	4,027	5,578
1966	29,301	6,170	3,664	3,695	1,387	2,425	1,273	833	4,228	5,626
1967	29,869	6,228	3,753	3,836	1,393	2,450	1,314	900	4,412	5,583
1968	30,598	6,260	3,852	3,973	1,432	2,568	1,394	975	4,619	5,525
1969	30,715	6,264	3,872	4,106	1,484	2,596	1,335	886	4,646	5,526
1970	31,472	6,365	4,016	4,181	1,495	2,693	1,384	1,017	4,730	5,591
1971	32,397	6,362	4,121	4,287	1,484	2,726	1,494	1,344	4,885	5,694
1972	34,318	6,320	4,389	4,377	1,537	2,910	1,743	1,631	5,337	6,074
1973	35,962	6,388	4,847	4,438	1,574	3,060	1,921	1,684	5,731	6,319
1974	35,741	6,418	4,914	4,460	1,615	3,039	1,796	1,357	5,717	6,425
1974 *1*	8,880	1,566	1,275	1,104	382	764	458	311	1,423	1,597
2	8,841	1,604	1,195	1,111	389	730	427	367	1,415	1,603
3	8,963	1,634	1,187	1,115	409	779	450	344	1,431	1,614
4	9,057	1,614	1,257	1,130	435	766	461	335	1,448	1,611
1975 *1*	9,100†	1,577	1,261	1,147†	383	813†	471	351†	1,428†	1,669
2	8,941	1,613†	1,192†	1,145	398†	765	468	305	1,409	1,646†
3	8,814	1,594	1,185	1,152	386	770	389	337	1,385	1,616
4										


£ million, seasonally adjusted
Share of consumers' expenditure 1974
1970 prices
Drink and tobacco
Food
Housing, fuel and light
Clothing
Other services
Cars and motor cycles
Durable household goods
Other goods
Personal income
(before tax)
Total personal
disposable income
Savings
Taxes on income,
national insurance
etc., contributions
Consumers' expenditure
(current prices)
25,000
24,000
23,000
22,000
21,000
20,000
19,000
18,000
17,000
16,000
15,000
14,000
13,000
12,000
11,000
10,000
9,000
8,000
7,000
6,000
0
1970
1971
1972
1973
1974
1975

Retail sales, new registrations of cars and hire purchase debt (Great Britain)

	Seasonally adjusted								
	Weekly average 1971=100						Thousands[1]	£ million	
	Value of retail sales[2]	Volume of retail sales[2]					New registrations of cars§	Hire purchase and other instalment credit[3]	
	Total[4] §	Total[4] §	Food shops[4] §	Clothing and footwear shops§	Durable goods shops§	Other non-food shops§		New credit extended	Changes in debt outstanding
1964	65·4	89·4	96·1	89	81	84	99·2	1,107	+168
1965	69·7	91·6	96·7	93	85	87	93·5	1,590	+121
1966	72·7	92·8	98·3	93	84	89	88·8	1,450	−135
1967	75·3	94·6	99·5	93	87	92	93·1	1,556	− 40
1968	80·4	97·2	100·5	96	92	96	93·1	1,643	+ 46
1969	84·9	97·3	101·6	96	89	96	82·3	1,587	− 20
1970	91·4	99·0	101·7	98	92	99	91·4	1,735	+ 84
1971	100·0	100·0	100·0	100	100	100	108·5	2,053	+240
1972	112·0	105·8	101·5	105	115	109	138·6	2,497	+424
1973	126·9	110·7	101·0	109	127	118	137·1	2,871	+438
1974	146·7	109·9	101·8	107	123	117	102·8	2,517	−155
1970 *1*	88·7	98·6	102·3	96	90	98	86·2	413	+ 10
2	90·4	99·1	102·2	99	91	98	95·3	438	+ 24
3	92·5	99·5	101·6	99	93	99	92·5	452	+ 20
4	94·1	99·1	100·9	100	93	98	91·7	432	+ 30
1971 *1*	94·5	97·8	100·5	99	95	95	94·1	431	+ 13
2	99·2	99·7	99·8	100	96	101	96·6	478	+ 37
3	101·7	100·5	99·6	100	104	101	115·9	572	+107
4	104·6	102·1	100·2	101	106	104	127·2	572	+ 83
1972 *1*	105·8	102·1	99·9	100	107	104	124·0	570	+ 84
2	109·3	104·8	101·1	104	114	107	146·6	619	+112
3	114·1	107·3	101·7	108	118	111	139·5	638	+118
4	118·6	109·2	103·1	107	122	114	144·2	670	+110
1973 *1*	123·5	111·8	100·8	116	130	118	151·5	761	+171
2	122·0	108·3	100·7	105	122	115	135·5	681	+ 87
3	127·8	110·6	101·4	108	127	118	142·9	717	+103
4	134·2	112·0	101·3	109	130	121	118·6	712	+ 77
1974 *1*	136·8	109·8	100·1	107	122	119	102·7	576	− 68
2	140·6	107·3	100·8	103	118	114	104·3	614	− 43
3	150·6	111·0	103·3	111	124	117	108·7	648	− 15
4	158·5	111·6	103·0	108	128	119	95·7	679	− 29
1975 *1*	166·2	111·5	100·5	112	130	119	106·0	723	− 12
2	174·0	108·7	98·7	108	129	115	91·2	756	+ 13
3	176·7	105·3	98·4	109	111	111	103·6	733	—
4									
1974 *J*	146·6	109·2	102·3	107	121	115	105·7	216	− 9
A	150·5	111·4	102·7	111	125	118	101·9	215	− 4
S	154·0	112·2	104·5	113	126	117	118·5	217	− 2
O	156·4	111·4	102·8	111	124	118	101·9	231	− 11
N	160·3	112·8	103·9	108	132	120	98·3	224	− 11
D	158·8	110·8	102·4	104	128	119	86·9	224	− 7
1975 *J*	165·8	113·0	101·5	117	130	120	109·5	246	+ 7
F	166·7	112·3	101·0	112	135	120	112·8	243	− 10
M	166·3	109·4	99·2	108	126	118	96·7	234	− 9
A	184·4	120·2	102·1	111	185	125	88·6	271	+ 26
M	165·9	102·5	95·9	103	106	109	90·4	247	− 10
J	172·1	104·5	98·1	109	102	112	94·6	238	− 3
J	174·4	104·7	97·3	110	108	111	89·1	246	− 8
A	175·8	104·9	98·5	108	112	109	92·2	235	− 4
S	179·3	106·0	99·3	108	112	112	129·6	252	+ 12
O	179·6	105·3	99·0	105	110	112	84·2†	252	− 16
N	182·1	105·9	100·2	102	113	113	82·7	253	− 8
D									

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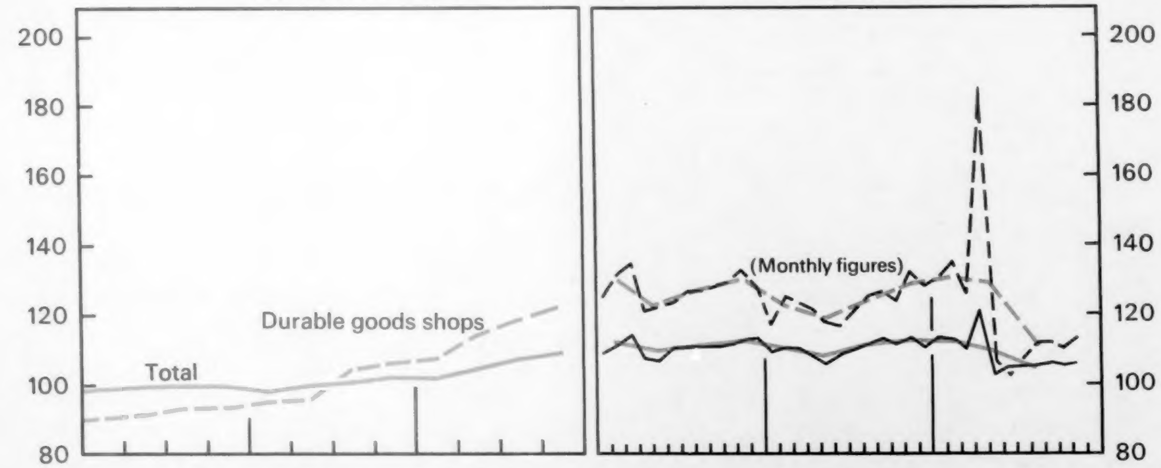
[1] Monthly averages. [2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1975 is exceptionally a five-week period. Further details are given in the Technical note to the retail sales figures on page 716 of *Trade and Industry*, 14 March 1975.

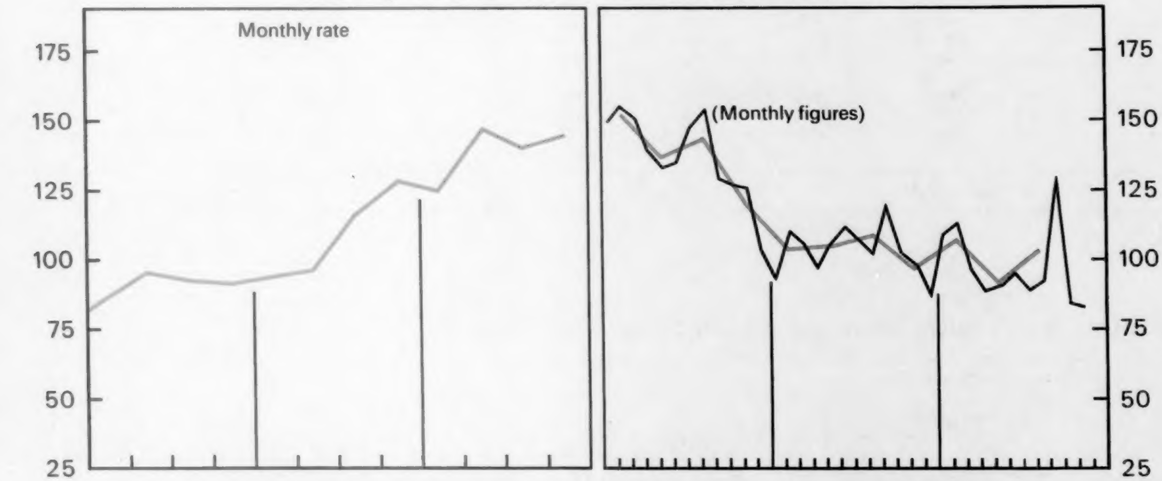
[3] Credit extended by and repaid to finance houses and retailers, i.e. durable goods shops and department stores *plus* (from 1965) other general stores, general mail order houses and the non-durable goods departments of co-operative societies.

[4] These indices are given to one decimal place, but this does not imply that they can be regarded as accurate to the last digit shown.

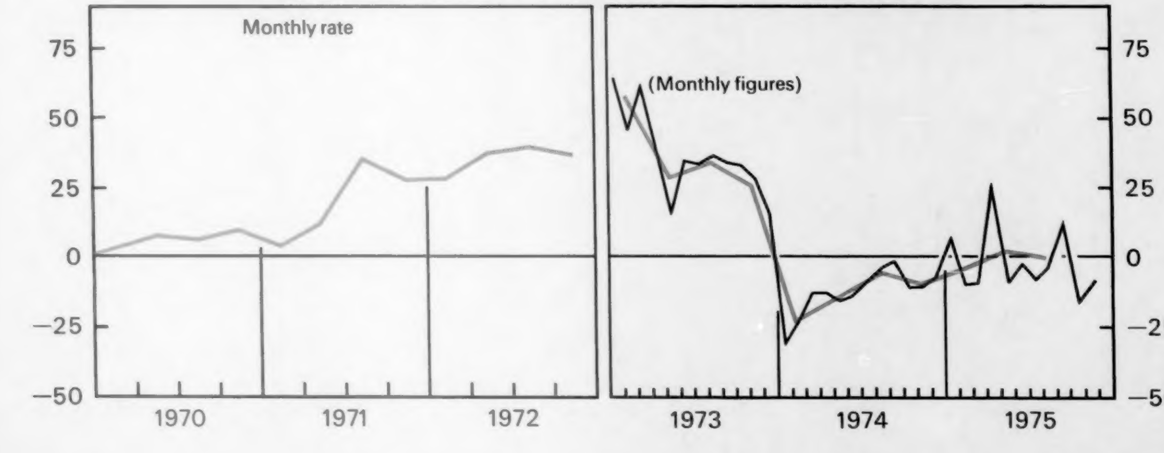
Volume of retail sales Weekly average 1971 = 100, seasonally adjusted



New registrations of cars Thousands, seasonally adjusted



Change in hire purchase debt outstanding £ million, seasonally adjusted



Shares of income and expenditure

		Seasonally adjusted								
		£ million	Per cent				£ million	Per cent		
			Percentage share of total final expenditure					Percentage share of total domestic income		
					Gross fixed investment					
		Total final expenditure (current market prices)	Consumers' expenditure	Public authorities' current expenditure on goods and services	Public sector	Private sector	Total domestic income (current prices)[1]	Income from employment	Gross trading profits of companies[1]	Other[1],[2]
1964		39,905	53·8	13·8	6·5	8·7	29,341	67·2	15·5	17·3
1965		42,495	53·8	14·2	6·5	8·8	31,566	67·5	15·0	17·5
1966		45,140	53·7	14·6	6·9	8·4	33,355	68·3	13·8	17·9
1967		47,856	53·2	15·2	7·6	8·1	34,814	68·1	13·4	18·5
1968		52,572	52·1	14·7	7·2	8·4	37,874	67·0	13·9	19·1
1969		56,001	51·8	14·4	6·7	8·6	40,180	67·4	12·8	19·8
1970		61,672	51·0	14·7	6·7	8·6	44,429	68·1	12·3	19·6
1971		68,548	51·2	15·1	6·5	8·7	49,369	67·9	12·3	19·8
1972		76,213	52·0	15·5	6·1	9·0	55,811	67·1	12·4	20·5
1973		90,081	50·1	14·8	6·2	9·1	65,774	65·6	13·2	21·2
1974		107,845	47·9	15·4	6·4	8·7	77,853	66·8	12·5	20·7
1974	*1*	24,369†	49·5†	15·4†	7·0†	8·9†	17,918	64·8	13·8	21·4
	2	26,358	47·7	14·8	5·7	8·6	18,752	65·8	13·0	21·2
	3	28,178	47·0	15·3	6·2	8·4	20,054	67·3	12·2	20·5
	4	28,940	47·7	16·2	6·8	8·7	21,129	69·0	11·1	19·9
1975	*1*	30,172	48·3	17·4	7·0	8·6	22,701†	69·5†	11·1†	19·4†
	2	31,523	49·3	17·2	6·5	8·8	23,156	70·4	10·2	19·4
	3	33,457	48·1	17·6	6·7	9·3	24,049	72·1	9·3	18·6
	4									

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[1] Before providing for stock appreciation.

[2] Gross trading surplus of public corporations and other public enterprises, income from rent and self-employment.

Estimates, *per capita*, income, product and spending

		Seasonally adjusted						
		£, current prices				£, 1970 prices		
		Gross national product	Gross domestic product[1]	Consumers' expenditure	Personal disposable income	Gross domestic product[1]	Consumers' expenditure	Personal disposable income
1964		549	541	397	432	697	524	570
1965		582	574	420	461	710	529	579
1966		613	606	444	487	721	536	589
1967		643	636	463	506	735	544	594
1968		685	679	496	539	759	555	602
1969		720	711	524	571	767	555	604
1970		789	779	567	624	779	567	624
1971		885	876	630	691	794	582	638
1972		989	978	709	789	804	614	683
1973		1,148	1,123	806	908	845	642	723
1974		1,319	1,295	921	1,056	852	637	730
1974	*1*	299	293	215	245	207	158	180
	2	314†	309	224	253	213†	158	178
	3	348	342	236	273	218	160	185
	4	358	351	246	285	214	161	187
1975	*1*	387	382†	260†	302	213	162	189
	2	403	396	277	318†	209	159	183†
	3	424	417	287	333	208	157	182
	4							

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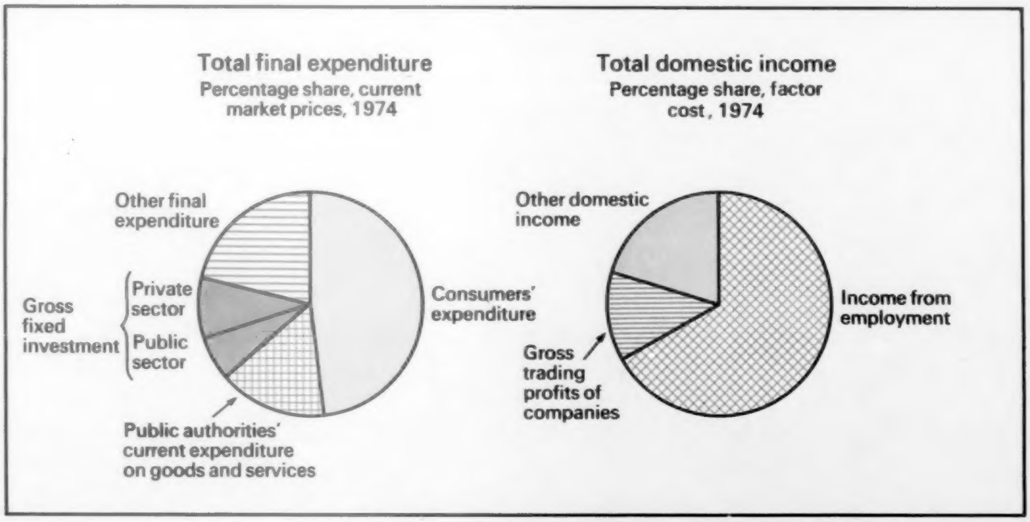
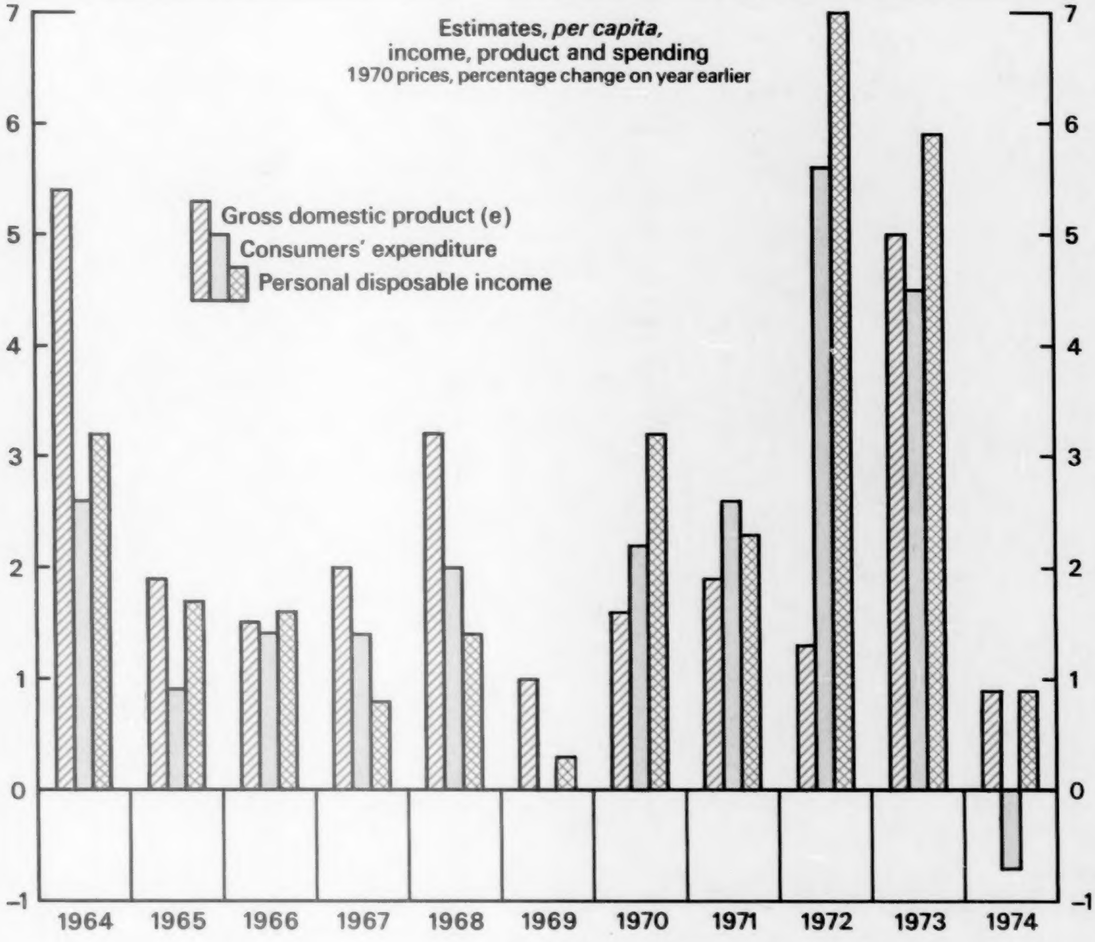
[1] Based on expenditure data.



Total final expenditure
Percentage share, current market prices, 1974

Total domestic income
Percentage share, factor cost, 1974



Estimates, *per capita*, income, product and spending
1970 prices, percentage change on year earlier

16

Gross domestic fixed capital formation by sector and by type of asset

Seasonally adjusted

£ million, 1970 prices

		Total§	Sector[1]		Type of asset					
					Dwellings					
						of which:		Other new buildings and works[2]	Vehicles, ships and aircraft	Plant and machinery
			Private sector	Public sector	Total	Private	Public			
1964		7,541	4,210	3,331	1,503	875	628	2,467	767	2,804
1965		7,899	4,399	3,500	1,561	890	671	2,580	751	3,007
1966		8,092	4,339	3,753	1,604	847	757	2,602	670	3,216
1967		8.771	4,482	4,289	1,781	915	866	2,876	751	3,363
1968		9,175	4,902	4,273	1,866	957	909	3,018	926	3,365
1969		9,191	5,183	4,008	1,786	894	892	3,049	910	3,446
1970		9,380	5,274	4,106	1,643	842	801	3,174	972	3,591
1971		9,544	5,465	4,079	1,752	1,007	745	3,312	999	3,481
1972		9,754	5.802	3,952	1,871	1,160	711	3,382	1,148	3,353
1973		10,008	6,016	3,992	1,757	1,040	717	3,307	1,237	3,707
1974		9,805	5,787	4,018	1,673	873	800	3,264	1,095	3,773
1969	*3*	2,323	1,326	997	455	222	233	782	217	869
	4	2,305	1,292	1,013	427	205	222	780	232	866
1970	*1*	2,285	1,289	996	403	203	200	762	240	880
	2	2,356	1,324	1 032	407	206	201	796	260	893
	3	2,347	1,345	1,002	414	213	201	802	236	895
	4	2,392	1,316	1,076	419	220	199	814	236	923
1971	*1*	2,345	1,277	1,068	423	234	189	802	249	871
	2	2,399	1,396	1,003	442	248	194	825	263	869
	3	2,390	1,406	984	436	257	179	828	249	877
	4	2,410	1,386	1,024	451	268	183	857	238	864
1972	*1*	2,424	1,388	1,036	468	284	184	824	295	837
	2	2,436	1,453	983	463	283	180	853	278	842
	3	2,423	1,452	971	469	299	170	852	267	835
	4	2,471	1,509	962	471	294	177	853	308	839
1973	*1*	2,555	1,541	1,014	445	267	178	846	327	937
	2	2,434	1,476	958	448	273	175	821	279	886
	3	2,506	1,493	1,013	437	251	186	832	294	943
	4	2,513	1,506	1,007	427	249	178	808	337	941
1974	*1*	2,532	1,458	1,074	442	236	206	880	261	949
	2	2,339	1,441	898	385	213	172	767	259	928
	3	2,418	1,433	985	408	192	216	819	278	913
	4	2,516	1,455	1,061	438	232	206	798	297	983
1975	*1*	2,472†	1,387†	1,085	452†	235†	217	839	270	911†
	2	2,408	1,404	1,004†	451	241	210†	812†	223†	922
	3	2,517	1,487	1.030	435	238	197	904	236	942
	4									
		Percentage change, quarter on corresponding quarter of previous year								
1973	*3*	*+3·4*	*+2·8*	*+ 4·3*	*− 6·8*	*−16·1*	*+ 9·4*	*− 2·3*	*+10·1*	*+12·9*
	4	*+1·7*	*−0·2*	*+ 4·7*	*− 9·3*	*−15·3*	*+ 0·6*	*− 5·3*	*+ 9·4*	*+12·2*
1974	*1*	*−0·9*	*−5·4*	*+ 5·9*	*− 0·7*	*−11·6*	*+15·7*	*+ 4·0*	*−20·2*	*+ 1·3*
	2	*−3·9*	*−2·4*	*− 6·3*	*−14·1*	*−22·0*	*− 1·7*	*− 6·6*	*− 7·2*	*+ 4·7*
	3	*−3·5*	*−4·0*	*− 2·8*	*− 6·6*	*−23·5*	*+16·1*	*− 1·6*	*− 5·4*	*− 3·2*
	4	*+0·1*	*−3·4*	*+ 5·4*	*+ 2·6*	*− 6·8*	*+15·7*	*− 1·2*	*−11·9*	*+ 4·5*
1975	*1*	*−2·4†*	*−4·9†*	*+ 1·0*	*+ 2·3†*	*− 0·4†*	*+ 5·3*	*− 4·7*	*+ 3·4*	*− 4·0†*
	2	*+2·9*	*−2·6*	*+11·8†*	*+17·1*	*+13·1*	*+22·1†*	*+ 5·9†*	*−13·9†*	*− 0·7*
	3	*+4·1*	*+3·8*	*+ 4·6*	*+ 6·6*	*+24·0*	*− 8·8*	*+10·4*	*−15·1*	*+ 3·2*
	4									

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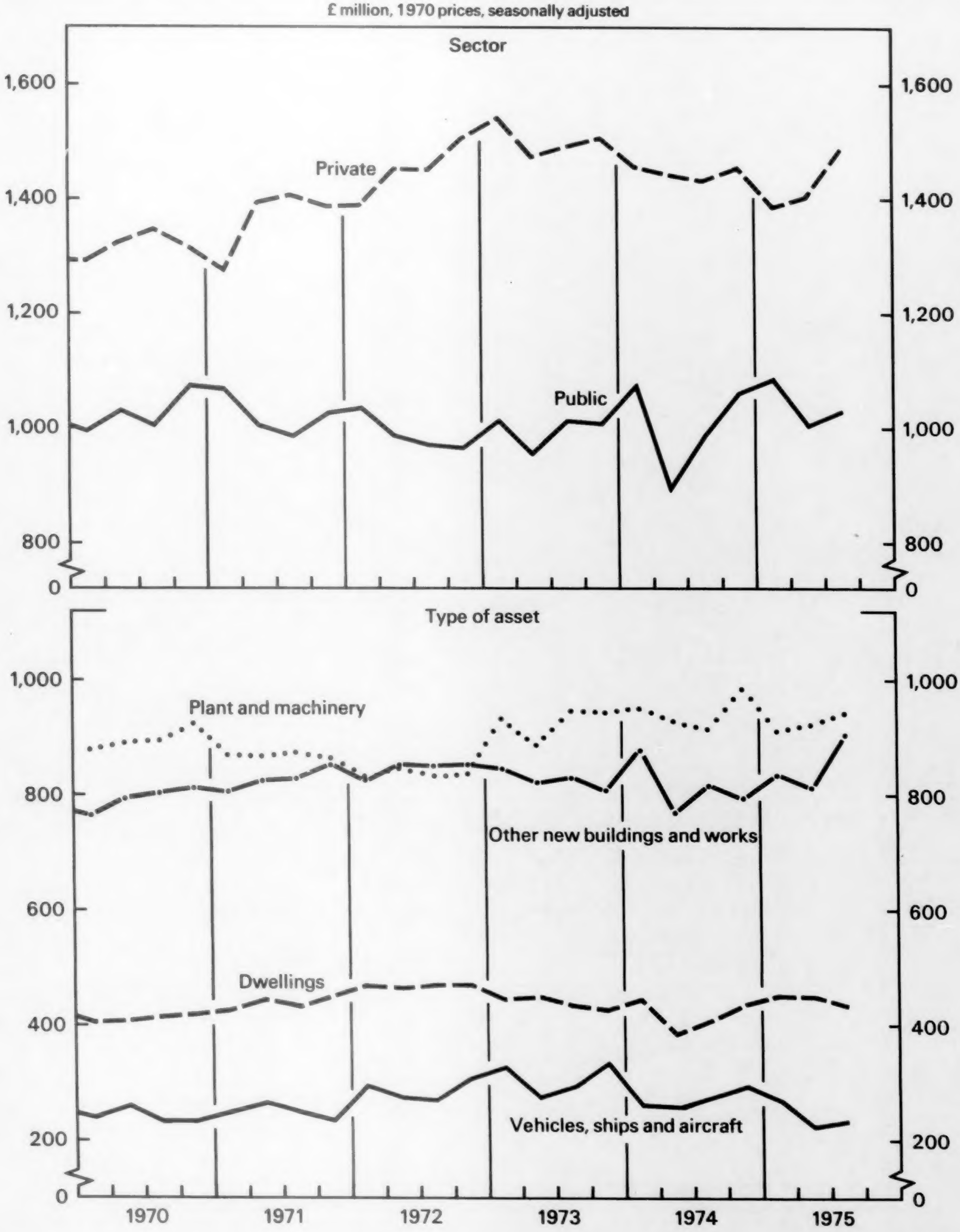
[1] Including purchases *less* sales of land and existing buildings.

[2] Including transfer costs of land and buildings.


£ million, 1970 prices, seasonally adjusted
Sector
Private
Public
1,600
1,400
1,200
1,000
800
0
Type of asset
Plant and machinery
Other new buildings and works
Dwellings
Vehicles, ships and aircraft
1,000
800
600
400
200
0
1970
1971
1972
1973
1974
1975

Indicators of fixed investment by manufacturing industry

	Gross fixed investment in manufacturing industry							New orders received by contractors for private industrial work(GB)[1]
	Total§	Plant and machinery			New building and works			
		Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
	£ million, 1970 prices, seasonally adjusted	£ million, 1970 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[2]	£ million, 1970 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[2]	£ million, 1970 prices, seasonally adjusted
1964	1,560·8	1,120·7	*+12*	..	342·4	*+14*	..	518·5
1965	1,726·0	1,239·8	*+11*	..	384·0	*+12*	..	535·6
1966	1,773·7	1,312·0	*+ 6*	..	363·4	*− 5*	..	510·1
1967	1,737·7	1,318·6	*+ 1*	..	319·6	*−12*	..	527·9
1968	1,851·2	1,406·1	*+ 7*	..	335·9	*+ 5*	..	549·6
1969	1,977·5	1,471·5	*+ 5*	..	390·1	*+16*	..	605·9
1970	2,129·8	1,623·9	*+10*	..	391·2	—	..	565·2
1971	1,990·7	1,520·2	*− 6*	..	357·1	*− 9*	..	417·3
1972	1,737·5	1,310·0	*−14*	..	306·3	*−14*	..	469·8
1973	1,864·4	1,408·6	*+ 8*	..	322·0	*+ 5*	..	590·6
1974[3]	2,087·1	1,581·9	*+12*	..	360·8	*+12*	..	497·2
1970 *1*	512·5	380·1	*+18*	− 5	93·9	*+ 3*	−18	123·5
2	534·6	406·4	*+10*	− 3	99·1	*+ 3*	−20	137·9
3	536·6	409·6	*+ 8*	..	98·0	*− 4*	..	143·6
4	546·1	418·8	*+ 7*	− 8	100·2	—	−21	160·2
1971 *1*	512·8	393·7	*+ 1*	..[4]	91·1	*− 3*	..[4]	111·6
2	498·5	379·8	*− 7*	−31	89·7	*− 9*	−37	98·9
3	497·1	382·9	*− 7*	−13	87·0	*−11*	−25	102·6
4	482·3	363·8	*−13*	..	89·3	*−11*	..	104·2
1972 *1*	458·5	350·0	*−11*	3	81·0	*−11*	−17	109·0
2	428·6	322·0	*−15*	9	77·7	*−13*	−11	107·8
3	422·8	315·2	*−18*	16	76·2	*−12*	− 4	105·5
4	427·6	322·8	*−11*	17	71·4	*−20*	− 2	147·5
1973 *1*	457·8	350·6	—	30	73·9	*− 9*	4	133·2
2	442·9	336·3	*+ 4*	35	75·3	*− 3*	11	137·0
3	487·6	366·5	*+16*	39	86·8	*+14*	18	154·6
4	476·1	355·2	*+10*	38	86·0	*+20*	16	165·8
1974 *1*	519·1	392·7	*+12*	− 3	90·7	*+23*	−15	117·3
2	513·1	390·3	*+16*	2	86·8	*+15*	−10	116·0
3	515·7	390·3	*+ 6*	− 6	88·5	*+ 2*	−22	148·0
4[3]	539·2	408·6	*+15*	−33	94·8	*+10*	−39	115·9
1975 *1*	496·6	377·8	*− 4*	−41	89·5	*− 1*	−47	108·5
2	460·7	354·7	*− 9*	−27	79·9	*− 8*	−42	70·4
3	436·8†	334·4†	*−14†*	−24	75·7†	*−14*	−39	78·0[5]
4				−15			−31	

[1] New orders from the third quarter 1974 include orders received by firms, mostly small, which have been added to the statistical register.

[2] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less. Figures relate to Inquiries in February, June and October of each year until 1972, when they are held in the first month of each quarter.

[3] The 1974 gross fixed investment figures differ from those published in *National Income and Expenditure 1964-74* (the Blue Book) owing to an error discovered too late to be corrected in the Blue Book

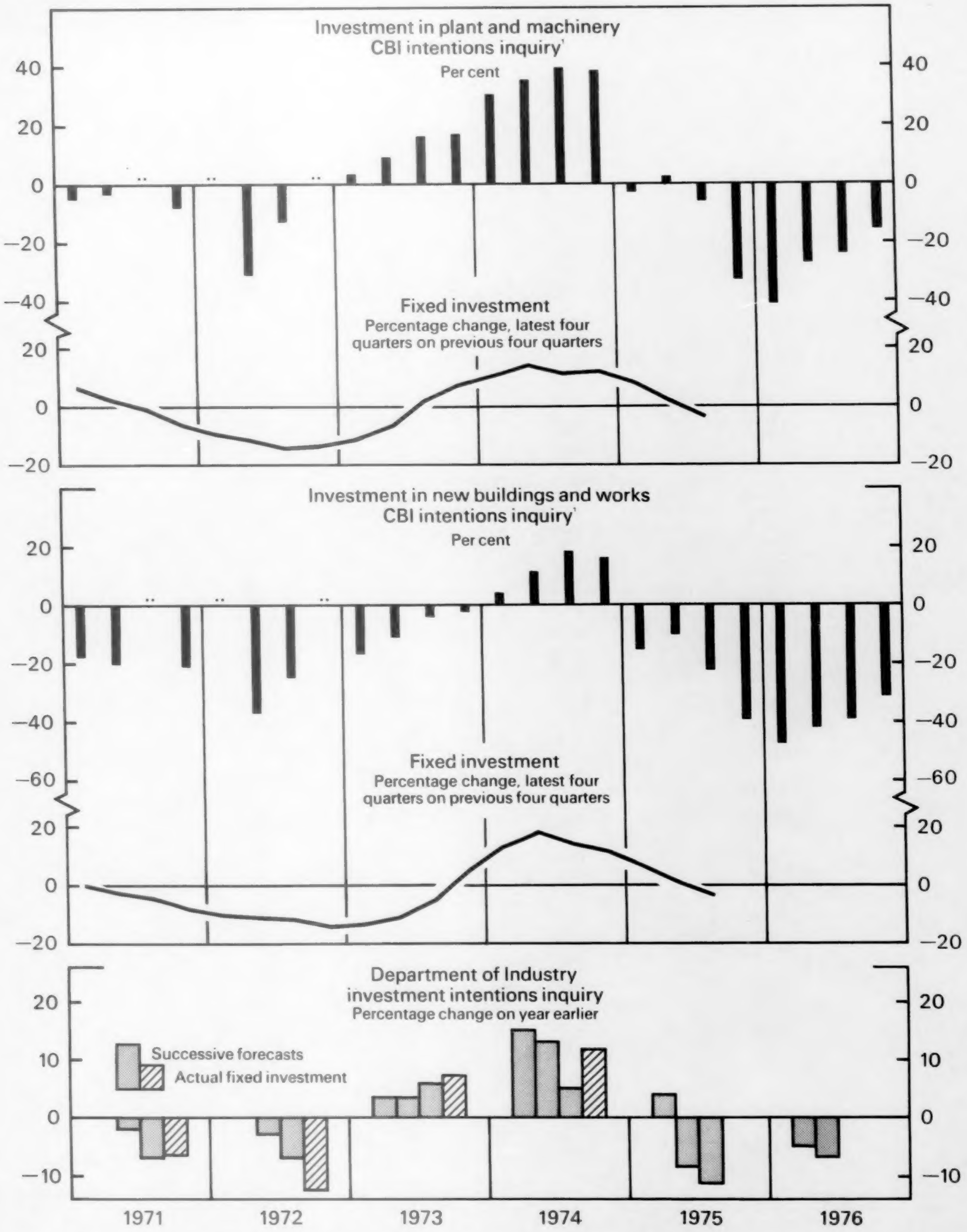
[4] No Inquiry was held in February 1971 because of the postal strike.

[5] Provisional

Department of Industry inquiry into investment intentions[1]: manufacturing industry

	Percentage change over previous year			
	Gross fixed investment			
	First forecast	Second forecast	Third forecast	Actual
1966	up to +5	not more than +2½	about −4	+ 2·8
1967	about −7 or −8	about −10	about −6	− 2·0
1968	probably some increase	about +5	less than +5	+ 6·5
1969	between +10 and +15	+10 to +15, perhaps top end	of the order of +10	+ 6·8
1970	about +10	about +10	about +2 or +3	+ 7·7
1971	no large change	about −2	about −6 to −8	− 6·5
1972	little change, perhaps a rise	about −3	−7	−12·7
1973	+2 to +5	+2 to +5	+6	+ 7·3
1974	strong increase about +15	some +12 to +14	about +5	+11·9
1975	less than +5	−7 to −10	about −11 or −12	
1976	of the order of −5	−5 to − 8		

[1] For each year there have usually been three successive forecasts: the first in the preceding summer, the second at the end of the previous year and the third in the summer of the year concerned. Changes for the years before 1966 are in terms of current prices; those for later years are expressed in volume terms, after making an appropriate allowance for price changes.



Investment in plant and machinery
CBI intentions inquiry[1]
Per cent

Fixed investment
Percentage change, latest four quarters on previous four quarters

Investment in new buildings and works
CBI intentions inquiry[1]
Per cent

Fixed investment
Percentage change, latest four quarters on previous four quarters

Department of Industry
investment intentions inquiry
Percentage change on year earlier

40
20
0
−20
−40
20
0
−20
20
0
−20
−40
−60
20
0
−20
20
10
0
−10
Successive forecasts
Actual fixed investment
1971
1972
1973
1974
1975
1976

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[1] The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment

20

Indicators of fixed investment in dwellings

		Seasonally adjusted								Unadjusted
		£ million, 1970 prices		Thousands				£ million		1970=100
		Fixed investment in dwellings	Orders received by contractors for new houses (GB)[1]	Housing starts (GB)§		Housing completions (GB)§		Building Societies Association		Average price of new dwellings on mortgage[2]
				Private sector	Public sector	Private sector	Public sector	New commitments for mortgages	Net increase in shares and deposits	
1965		1,561	1,494·3	211·1	181·4	213·8	168·5	1,003	651	73·5
1966		1,604	1,381·2	193·4	185·9	205·4	180·1	1,223	724	78·6
1967		1,781	1,665·9	233·6	213·9	200·4	203·9	1,649	1,099	83·5
1968		1,866	1,435·7	200·1	194·3	222·0	191·7	1,480	767	87·7
1969		1,786	1,165·9	166·8	176·6	181·7	185·1	1,580	895	94·0
1970		1,643	1,171·6	165·1	153·8	170·3	180·1	2,188	1,490	100·0
1971		1,752	1,191·3	207·3	136·9	191·6	158·9	3,013	2,034	112·6
1972		1,871	1,351·3	227·4	123·0	196·3	122·8	3,802	2,193	144·3
1973		1,757	1,247·9	214·9	112·8	186·1	107·5	3,254	2,102	197·7
1974		1,673	866·1	105·0	146·8	139·6	128·6	3,115	1,993	221·0
1975								5,302	4,239	
1970	*1*	403	289·9	35·1	35·8	42·2	45·4	460	301	97·3
	2	407	301·2	42·2	40·2	41·3	45·1	533	343	99·1
	3	414	303·2	44·4	39·9	44·1	46·5	569	420	101·5
	4	419	277·3	43·4	37·9	42·7	43·1	626	426	101·5
1971	*1*	423	[illegible]	47·0	36·2	45·2	43·4	628	415	106·5
	2	442	280·9	46·3	33·0	46·3	39·4	739	466	109·8
	3	436	306·4	53·8	33·1	49·1	38·1	798	546	115·0
	4	451	346·9	60·2	34·6	51·0	38·0	848	607	118·0
1972	*1*	468	333·6	52·4	35·4	49·4	36·4	947	603	125·3
	2	463	352·9	57·6	28·5	50·1	33·5	1,030	598	135·5
	3	469	337·3	57·6	28·4	48·9	26·1	909	466	154·0
	4	471	327·5	59·8	30·7	47·9	26·8	916	526	167·1
1973	*1*	445	375·2	63·5	31·2	49·5	25·4	991	464	184·9
	2	448	306·1	55·6	26·9	49·3	29·9	759	784	195·5
	3	437	303·5	52·8	27·2	45·8	26·6	816	498	203·3
	4	427	263·1	43·0	27·5	41·5	25·6	688	356	209·7
1974	*1*	442	207·7	34·1	35·7	44·8	29·0	533	218	216·8
	2	385	207·6	26·1	38·9	31·9	31·2	598	456	217·6
	3	408	230·0	22·5	36·7	30·5	34·5	931	634	222·8
	4	438	220·8	22·3	35·5	32·4	33·9	1,053	685	225·1
1975	*1*	452†	248·9	34·4	44·4	37·9	37·4	1,117†	1,096†	233·8
	2	451	263·4†	36·3	36·9	38·4	40·1	1,316	1,098	238·2
	3	435	277·4[3]	37·8	45·0	36·6	43·4	1,368	1,051	246·7
	4							1,501	994	
1974	*J*	..	76·8	7·1	10·9	9·4	10·7	286	207	..
	A	..	72·0	7·9	13·2	10·0	11·9	294	232	..
	S	..	81·2	7·5	12·6	11·1	11·9	351	195	..
	O	..	67·6	7·1	12·6	11·1	11·0	377	208	..
	N	..	71·6	7·7	11·8	11·0	11·5	332	234	..
	D	..	81·6	7·5	11·1	10·3	11·4	344	243	..
1975	*J*	..	67·0	10·4	15·6	12·2	11·5	373†	306†	..
	F	..	100·4	12·0	16·0	11·6	14·1	378	357	..
	M	..	81·5	12·0	12·8	14·1	11·8	366	433	..
	A	..	94·8	11·8	10·7	11·8	13·3	455	451	..
	M	..	78·6†	11·9	13·8	13·0	13·3	434	370	..
	J	..	90·0	12·6	12·4	13·6	13·5	427	277	..
	J	..	93·2[3]	12·5	14·7	11·5	13·2	437	304	..
	A	..	77·3[3]	13·1	14·8	13·2	14·2	422	381	..
	S	..	106·9[3]	12·2	15·5	11·9	16·0	509	366	..
	O		101·9[3]	12·6†	16·9†	11·4†	14·3†	522	331	..
	N			13·0[3]	16·0[3]	13·0[3]	14·0[3]	456	315	..
	D							523	348	

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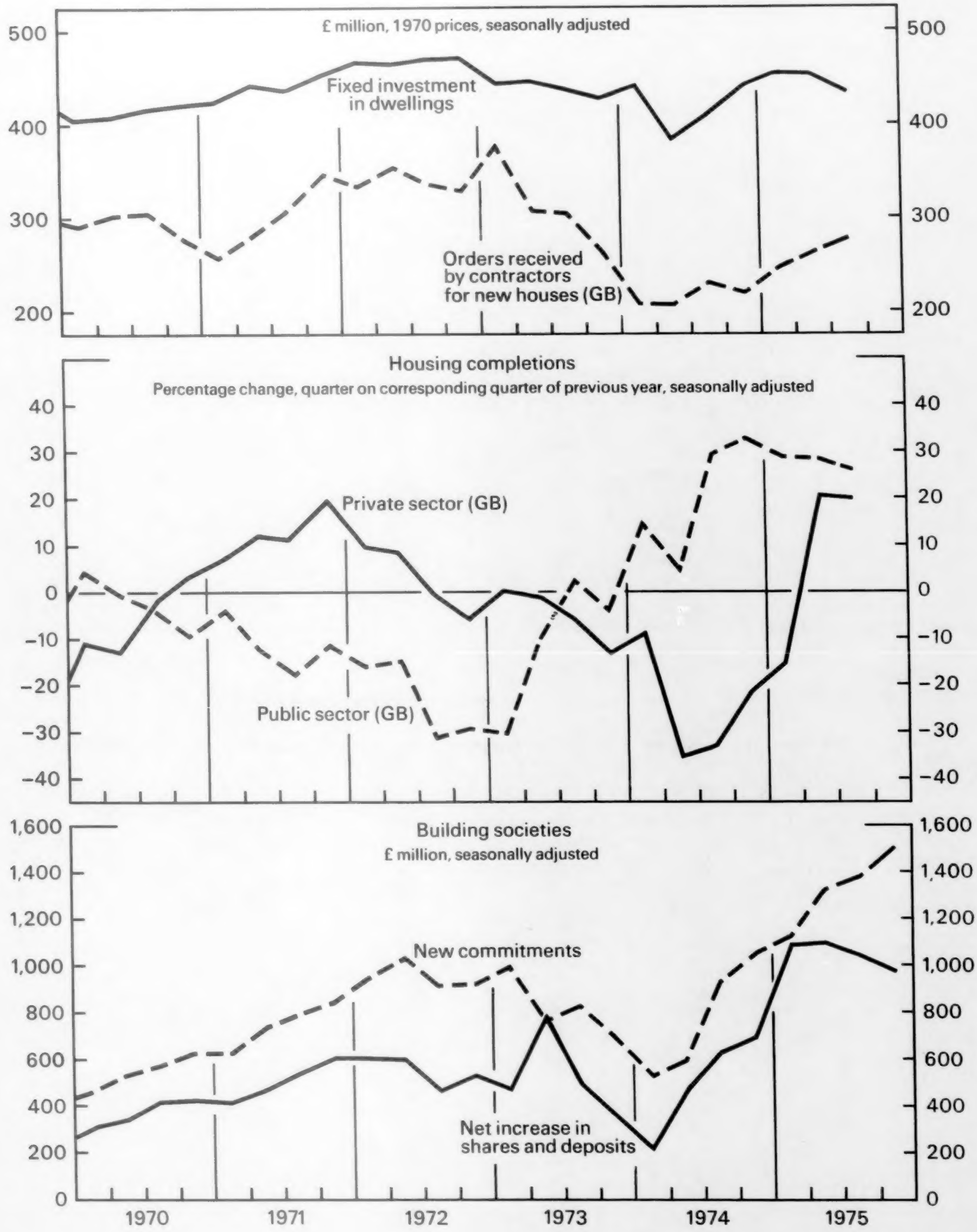
[1] New orders from July 1974 include orders received from firms, mostly small, which have now been added to the statistical register.

[2] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have advanced mortgages during the period. The cost of land is included. Figures relate to average for the quarter. [3] Provisional.


£ million, 1970 prices, seasonally adjusted
Fixed investment in dwellings
Orders received by contractors for new houses (GB)
500
400
300
200
Housing completions
Percentage change, quarter on corresponding quarter of previous year, seasonally adjusted
Private sector (GB)
Public sector (GB)
40
30
20
10
0
−10
−20
−30
−40
Building societies
£ million, seasonally adjusted
New commitments
Net increase in shares and deposits
1,600
1,400
1,200
1,000
800
600
400
200
0
1970
1971
1972
1973
1974
1975

Stock changes

Seasonally adjusted

£ million, 1970 prices

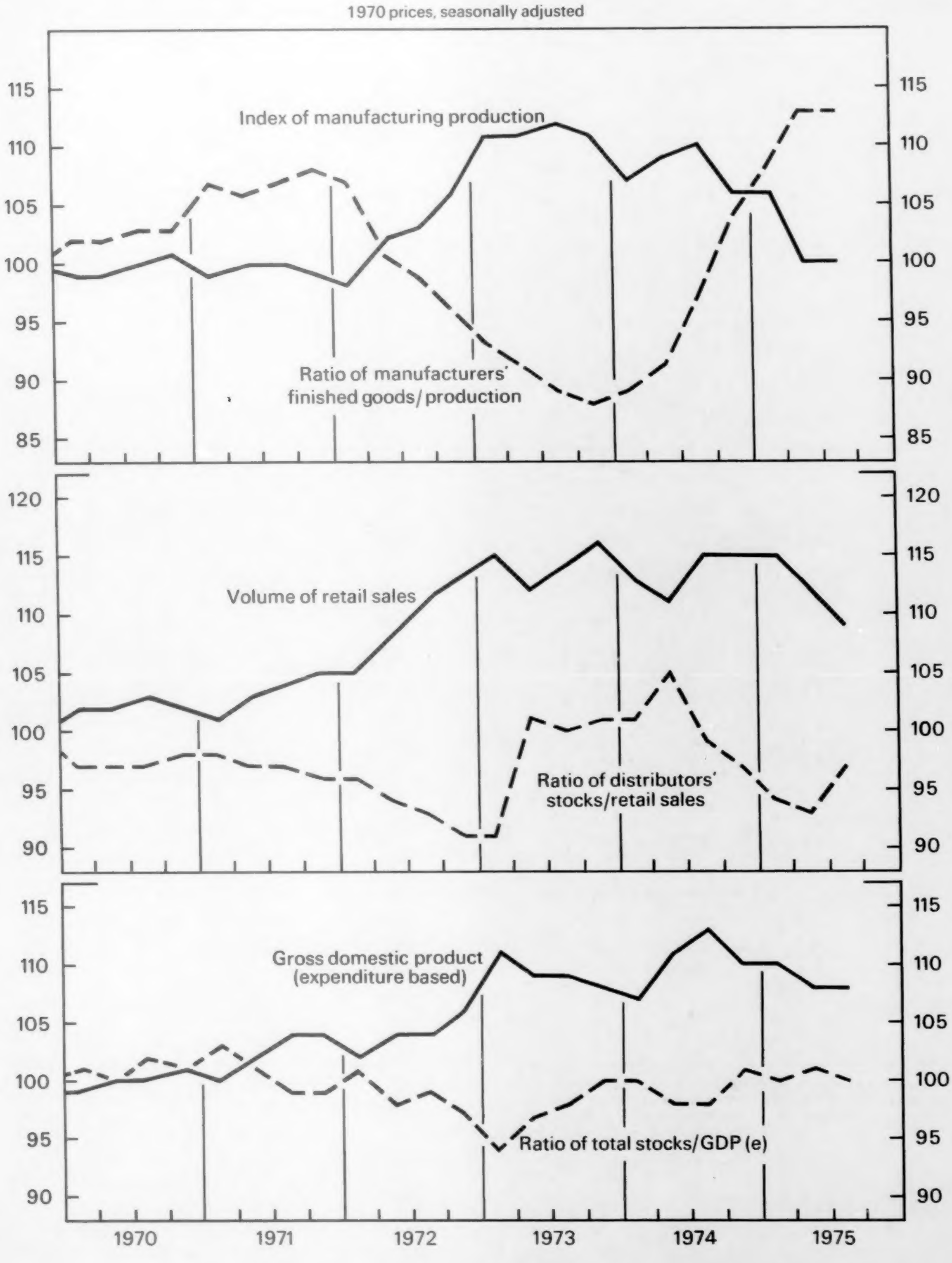
			Manufacturing				Distribution			
		All industries §	Total §	Materials and fuel	Work in progress	Finished goods	Total	Retail	Wholesale	Other industries
Book values end-December 1974		18,612	10,755	3,925	4,104	2,726	3,729	1,811	1 918	4,128
1970	*1*	21	54	13	2	39	− 24	−29	5	− 9
	2	176	119	55	63	1	25	7	18	32
	3	165	70	35	12	23	16	—	16	79
	4	88	82	10	45	27	28	− 1	29	−22
1971	*1*	115	26	−23	−22	71	− 18	−32	14	107
	2	− 77	− 95	−48	−59	12	29	3	26	−11
	3	4	− 42	−40	− 8	6	17	8	9	29
	4	28	− 37	−35	− 9	7	20	17	3	45
1972	*1*	− 36	− 72	−20	3	− 55	1	−16	17	35
	2	4	− 81	−56	16	− 41	39	38	1	46
	3	8	− 35	7	−15	− 27	− 7	−13	6	50
	4	19	13	27	− 1	− 13	18	− 6	24	−12
1973	*1*	353	166	60	97	9	69	32	37	118
	2	274	88	68	52	− 32	167	163	4	19
	3	155	46	37	51	− 42	51	22	29	58
	4	178	96	78	46	− 28	57	25	32	25
1974	*1*	−174	− 31	49	−12	− 68	− 55	−73	18	−88
	2	274	191	57	28	106	54	11	43	29
	3	359	368	143	67	158	− 25	−28	3	16
	4	94	138	28	23	87	− 17	−34	17	−27
1975	*1*	−171†	− 4	−132	9	119	− 88	−57	−31	−79†
	2	−288	−112†	− 54†	−44†	− 14†	−106†	−52	−54†	−70
	3	−157	−211	−114	−80	− 17	35	60	−25	19
	4									

Stock ratios

Seasonally adjusted

1970 prices: stocks level, end-Dec. 1969=100; retail sales and industrial production, 4th quarter 1969=100

		Total stocks to gross domestic product (expenditure based)	Manufactured stocks to manufacturing production				Distributors' stocks to retail sales
			Total stocks	Materials and fuel	Work in progress	Finished goods	
1970	*1*	101	101	101	101	102	97
	2	100	102	102	102	102	97
	3	102	102	102†	101†	103†	97
	4	101	102	102	102	103	98
1971	*1*	103	104	103	103	107	98
	2	101	102	101	101	106	97
	3	99	102	100	101	107	97
	4	99	103	100	101	108	96
1972	*1*	101	103	100	103	107	96
	2	98	98	95	99	101	94
	3	99	97	94	97	99	93
	4	97	94	92	94	96	91
1973	*1*	94	92	90	93	93	91
	2	97	93	92	95	91	101
	3	98	92	92	95	89	100
	4	100	93†	94	96	88	101
1974	*1*	100	97	99	100	89	101
	2	98	96	98	98	91	105
	3	98	100	102	100	97	99
	4	101	105	106	104	104	97
1975	*1*	100†	104	102	104	108	94
	2	101	109	107	108	113	93
	3	100	107	104	107	113	97
	4						


1970 prices, seasonally adjusted
Index of manufacturing production
Ratio of manufacturers' finished goods/production
115
110
105
100
95
90
85
Volume of retail sales
Ratio of distributors' stocks/retail sales
120
115
110
105
100
95
90
Gross domestic product (expenditure based)
Ratio of total stocks/GDP (e)
115
110
105
100
95
90
1970
1971
1972
1973
1974
1975

24

Inland energy consumption

Annual rates, seasonally adjusted and temperature corrected

	Primary fuel input						Public supply	
	Million tons of coal or coal equivalent						Thousand million kilowatt hours	Thousand million therms
	Total	Coal	Petroleum	Natural gas[1]	Nuclear electricity[1]	Hydro electricity[1]	Electricity available (GB)[2]	Gas available (GB)[3]
1964	285·9	187·2	93·2	0·4	3·2	1·9	150·4	3·39
1965	294·4	182·7	102·1	1·3	6·0	2·3	164·3	3·73
1966	297·5	174·2	111·9	1·2	7·8	2·4	171·9	4·04
1967	298·0	164·5	119·8	2·1	8·9	2·7	177·8	4·37
1968	306·5	163·9	125·6	4·7	10·1	2·2	193·6	4·88
1969	316·1	159·8	134·6	9·2	10·5	2·0	200·5	5·40
1970	329·3	154·2	145·5	17·6	9·4	2·6	211·6	6·30
1971	327·7	139·4	148·4	28·4	9·7	1·8	215·9	8·25
1972	330·7	120·3	157·6	40·3	10·5	2·0	224·1	10·82
1973	346·6	131·5	159·7	43·5	9·9	2·0	241·0	12·04
1974	331·5	115·8	149·6	52·1	11·9	2·1	235·5	13·53
1970 *1*	330·8	162·6	140·9	15·6	9·5	2·2	211·8	5·88
2	325·4	155·0	143·3	15·1	9·6	2·4	213·0	6·17
3	329·7	150·9	148·6	17·8	9·0	3·4	211·8	6·43
4	330·9	148·4	149·1	21·7	9·3	2·4	209·7	6·73
1971 *1*	332·3	146·3	149·7	25·0	9·0	2·3	211·8	7·33
2	325·8	140·0	148·1	26·8	9·4	1.5	212·6	8·01
3	321·5	134·8	144·6	30·3	10·4	1·4	217·4	8·52
4	331·4	136·3	151·3	31·6	10·2	2·0	221·8	9·15
1972 *1*	310·5	103·6	158·1	35·4	11·4	2·0	213·4	9·98
2	331·2	119·6	159·1	39·7	10·3	2·5	224·4	10·70
3	334·7	126·4	152·7	43·7	9·7	2·2	226·3	11·18
4	346·6	131·6	160·6	42·5	10·6	1·3	232·2	11·42
1973 *1*	340·0	132·7	158·0	40·7	10·7	1·9	243·2	11·51
2	345·1	132·8	161·0	40·1	9·2	2·0	241·3	11·69
3	349·4	129·6	164·3	43·3	10·0	2·2	241·3	12·19
4	347·7	130·7	155·6	49·9	9·7	1·8	238·3	12·79
1974 *1*	302·0	91·6	146·6	49·7	11·3	2·8	216·3	13·20
2	334·7	125·2	146·5	49·4	12·3	1·3	237·1	13·49
3	346·0	125·0	152·2	54·6	12·2	2·0	244·2	13·65
4	342·8	120·8	153·0	54·6	12·0	2·4	244·3	13·79
1975 *1*	323·7	125·4	132·0	53·4	10·6	2·3	236·2	13·73
2	322·9	121·3	138·1	52·1	10·0	1·4	237·3	13·60
3	320·0†	117·8	136·0†	53·6	10·6	2·0	234·7	13·47
4								
	Percentage change, quarter on corresponding quarter of previous year							
1974 *1*	*−12·2*	*−30·9*	*− 7·2*	*+22·1*	*+ 5·6*	*+47·4*	*−11·1*	*+14·7*
2	*− 3·0*	*− 5·7*	*− 9·0*	*+23·2*	*+33·7*	*−35·0*	*− 1·7*	*+15·4*
3	*− 1·0*	*− 3·6*	*− 7·4*	*+26·1*	*+22·0*	*− 9·1*	*+ 1·2*	*+12·0*
4	*− 1·4*	*− 7·6*	*− 1·7*	*+ 9·4*	*+23·7*	*+33·3*	*+ 2·5*	*+ 7·8*
1975 *1*	*+ 7·2*	*+36·9*	*−10·0*	*+ 7·4*	*− 6·2*	*−17·9*	*+ 9·2*	*+ 4·0*
2	*− 3·5*	*− 3·1*	*− 5·7*	*+ 5·5*	*−18·7*	*+ 7·7*	*+ 0·1*	*+ 0·8*
3	*− 7·5†*	*− 5·8*	*−10·6†*	*− 1·8*	*−13·1*	—	*− 3·9*	*− 1·3*
4								

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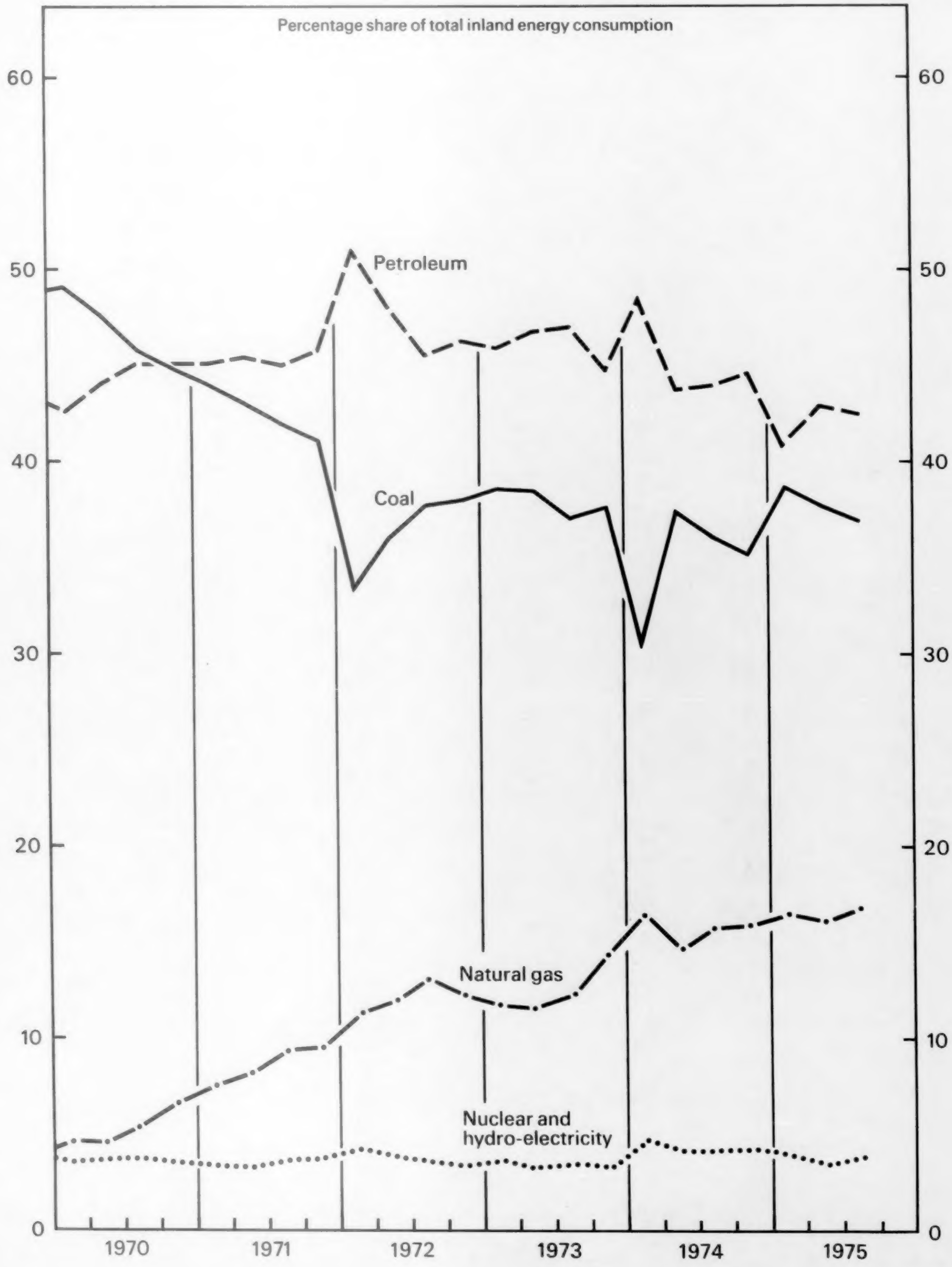
[1] Natural gas, nuclear and hydro electricity are not temperature corrected.
[2] The inclusion of Northern Ireland would add about 2% to the total.
[3] The inclusion of Northern Ireland would add about 0·3% to the total.


Percentage share of total inland energy consumption
60
50
40
30
20
10
0
Petroleum
Coal
Natural gas
Nuclear and
hydro-electricity
1970
1971
1972
1973
1974
1975

26

Index of industrial production

Seasonally adjusted

1970=100

	By industry					By market sector[1]		
	All industries covered §	Mining and quarrying	Manufacturing §	Construction	Gas, electricity and water	Consumer goods industries	Investment goods industries	Intermediate goods industries
1970 weights	*1,000*	*37*	*745*	*146*	*72*	*249*	*239*	*362*
1964	86·5	126·9	85·1	91·0	74·8	..	..	..
1965	89·1	122·3	87·6	95·1	79·9	..	..	..
1966	90·6	115·3	89·2	96·7	83·0	..	..	..
1967	91·7	114·5	89·8	100·4	86·0	..	..	..
1968	97·3	111·4	95·9	103·4	91·6	95·5	94·7	97·7
1969	99·8	104·9	99·4	102·0	96·2	98·3	99·7	100·0
1970	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0
1971	100·5	99·7	99·7	102·9	103·9	102·6	98·7	99·2
1972	102·6	84·0	102·4	104·5	111·2	109·9	96·3	101·0
1973	110·3	93·6	110·9	107·6	118·1	119·0	104·0	109·7
1974	106·3	82·1	107·8	98·4	119·7	116·6	102·3	105·2
1970 *1*	99·4	103·0	99·2	98·5	100·5	98·5	99·3	100·5
2	99·6	102·7	99·4	99·9	99·1	99·5	98·8	100·0
3	100·5	100·7	100·5	100·5	100·1	99·8	101·2	100·2
4	100·6	93·5	100·8	101·1	100·2	102·2	100·6	99·2
1971 *1*	100·0	102·7	99·4	102·8	99·7	99·9	99·0	99·9
2	101·0	103·2	100·3	103·3	102·7	102·3	100·7	99·4
3	100·7	101·6	100·1	101·1	105·3	103·6	99·3	99·1
4	100·1	91·2	99·0	104·4	107·8	104·7	95·6	98·4
1972 *1*	97·6	45·4	97·9	105·6	104·0	105·3	93·9	91·6
2	103·0	96·7	101·9	105·7	112·4	108·5	96·0	102·7
3	103·9	96·0	103·2	104·1	114·8	111·2	96·7	103·3
4	106·0	97·9	106·4	102·5	113·5†	114·7	98·5	106·6
1973 *1*	110·5	99·2	110·6	110·1	116·1	117·7	103·6	110·4
2	110·0	96·4	110·5	106·0	119·2	118·9	103·1	110·0
3	110·8	94·5	111·6	107·8	117·5	119·7	105·0	109·7
4	110·0	84·4	111·1	106·3	119·7	119·6	104·4	108·9
1974 *1*	104·4	56·8	106·5	102·3	111·9	116·4	99·1	100·5
2	107·9	89·5	109·4	99·4	119·2	118·5	102·6	107·6
3	108·3	90·8	109·6	98·4	123·8	117·2	105·0	108·5
4	104·8	91·1	105·7	93·7	124·1	114·5	102·6	104·0
1975 *1*	104·8	90·9	106·1	93·9	119·8	116·4	103·7	101·9
2	100·2	88·2	100·4	93·0	119·3	110·3	101·0	95·7
3	100·0	87·9	100·1	95·1	114·9	111·3	99·4	94·5
4								
1974 *J*	108·9	92	110·2	..	125	118	105	109
A	108·9	91	110·6	..	121	118	105	109
S	107·2	90	108·1	..	125	115	105	107
O	105·7	91	106·3	..	132	115	102	106
N	105·5	91	106·7	..	124	116	103	105
D	103·0	91	104·1	..	116	113	102	101
1975 *J*	105·5	89	107·7	..	114	119	105	102
F	105·2	91	106·9	..	118	117	104	103
M	103·6	93	103·8	..	127	113	103	101
A	101·5	91	101·7	..	122	111	102	98
M	99·4	88	99·4	..	118	109	100	95
J	99·7	86	100·0	..	117	111	101	94
J	100·6	87	100·9	..	116	111	101	95
A	98·8	88	98·9	..	112	110	99	93
S	100·5	88	100·5	..	117	112	98	96
O	101·7†	92	101·5†	..	122†	112†	99	99†
N	101·8	94	101·5	..	122	111	99	99
D								

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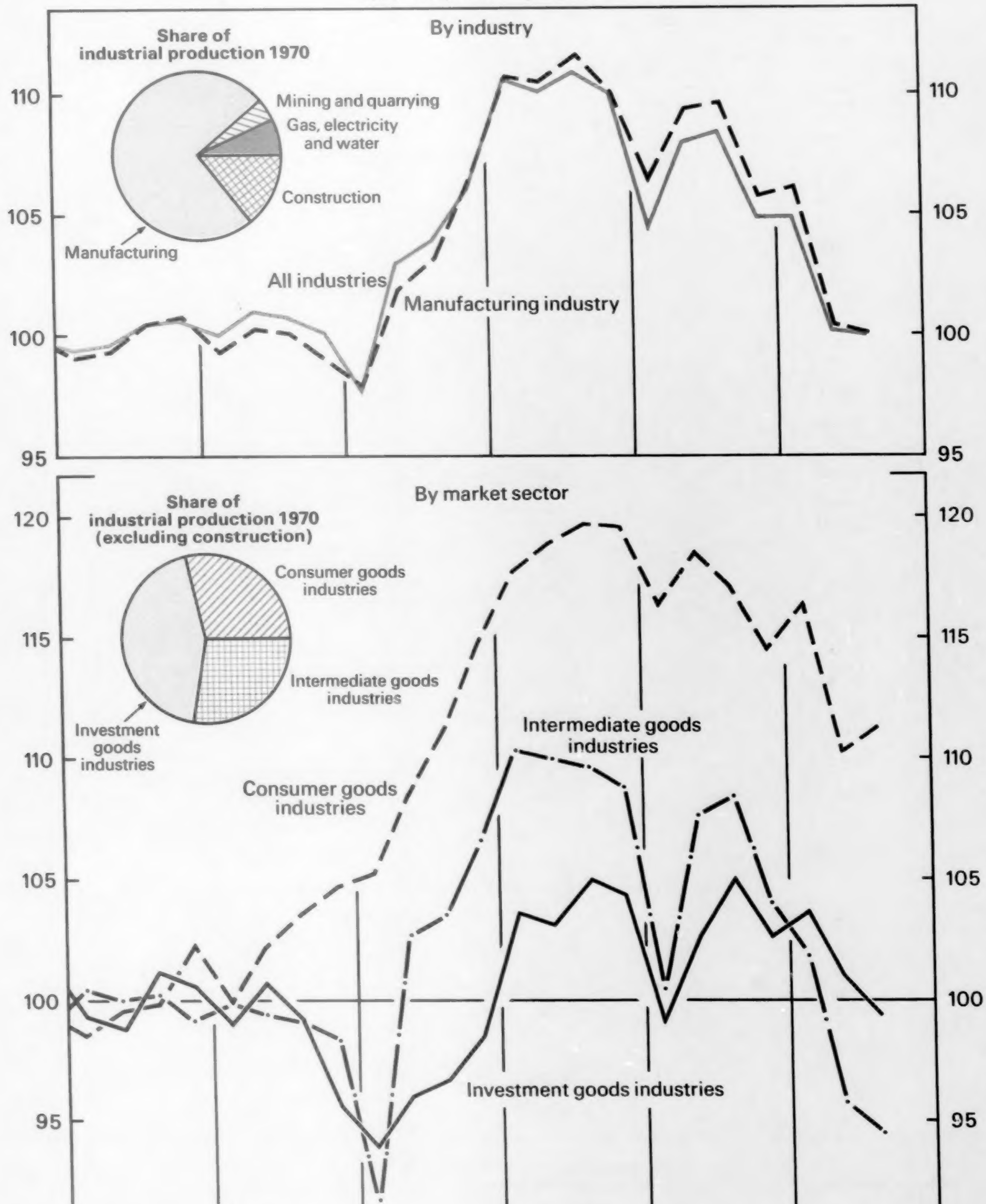
[1] All industries other than construction.

1970=100, seasonally adjusted



28

Index numbers of output

	Seasonally adjusted 1970=100 Gross domestic product[1,2] §	Agriculture, forestry and fishing	Industrial production§	Transport and communication	Distributive trades	Other services
1970 weights	*1,000*	*30*	*439*	*84*	*104*	*343*
1964	86·9	89	86·5	84	89	88
1965	89·3	91	89·1	85	91	90
1966	90·9	91	90·6	88	92	92
1967	92·5	94	91·7	89	94	95
1968	96·5†	94	97·3†	92	97	97
1969	98·3	95	99·8	96	98	98
1970	100·0	100	100·0	100	100	100
1971	101·6	106	100·5	101	101	103
1972	104·5	108	102·6	106	107	106
1973	110·5	111	110·3	114	114	109
1974	109·6	116	106·3	114	113	111
1970 *1*	99·2	97	99·4	99	99†	99
2	99·7	99	99·6	100	100	99†
3	100·5	102	100·5†	100	100	100
4	100·6	103	100·6	101	100	101
1971 *1*	100·3	102	100·0	98	99	101
2	101·5	105	101·0	101	101	103
3	102·0	108	100·7	102	102	104
4	102·4†	108	100·1	103	103	105
1972 *1*	101·4	109	97·6	102	104	105
2	104·6	108	103·0	105	106	106
3	105·2	108	103·9	106	108	106
4	107·0	108	106·0	108†	110	107
1973 *1*	110·8	109†	110·5	112	115	109
2	109·9	110	110·0	113	112	109
3	110·8	112	110·8	114	114	109
4	110·6	113	110·0	115	114	110
1974 *1*	107·5	115	104·4	111	113	110
2	110·0	116	107·9	114	110	111
3	111·2	116	108·3	116	115	111
4	109·7	118	104·8	116	114	112
1975 *1*	110·0	115	104·8	117	113	113
2	107·2	115	100·2	113	111	113
3	106·6	115	100·0	113	108	114
4						
			Percentage change, quarter on corresponding quarter of previous year			
1973 *1*	*+9·3†*	*+0·8*	*+13·2†*	*+9·4†*	*+10·4*	*+3·8*
2	*+5·1*	*+1·2*	*+ 6·8*	*+7·7*	*+ 5·5†*	*+2·3†*
3	*+5·3*	*+3·1*	*+ 6·6*	*+7·7*	*+ 5·7*	*+2·9*
4	*+3·4*	*+3·9†*	*+ 3·8*	*+6·2*	*+ 3·5*	*+2·1*
1974 *1*	*−2·9*	*+5·1*	*− 5·5*	*−0·5*	*− 2·1*	*+0·6*
2	*+0·1*	*+5·6*	*− 1·9*	*+0·9*	*− 1·7*	*+1·9*
3	*+0·4*	*+3·9*	*− 2·3*	*+1·8*	*+ 0·3*	*+1·8*
4	*−0·8*	*+4·5*	*− 4·7*	*+0·5*	*− 0·6*	*+2·4*
1975 *1*	*+2·3*	—	*+ 0·4*	*+4·9*	*+ 0·7*	*+3·0*
2	*−2·6*	*−0·5*	*− 7·1*	*−0·8*	*+ 0·7*	*+2·4*
3	*−4·1*	*−1·0*	*− 7·7*	*−2·8*	*− 5·9*	*+1·9*
4						

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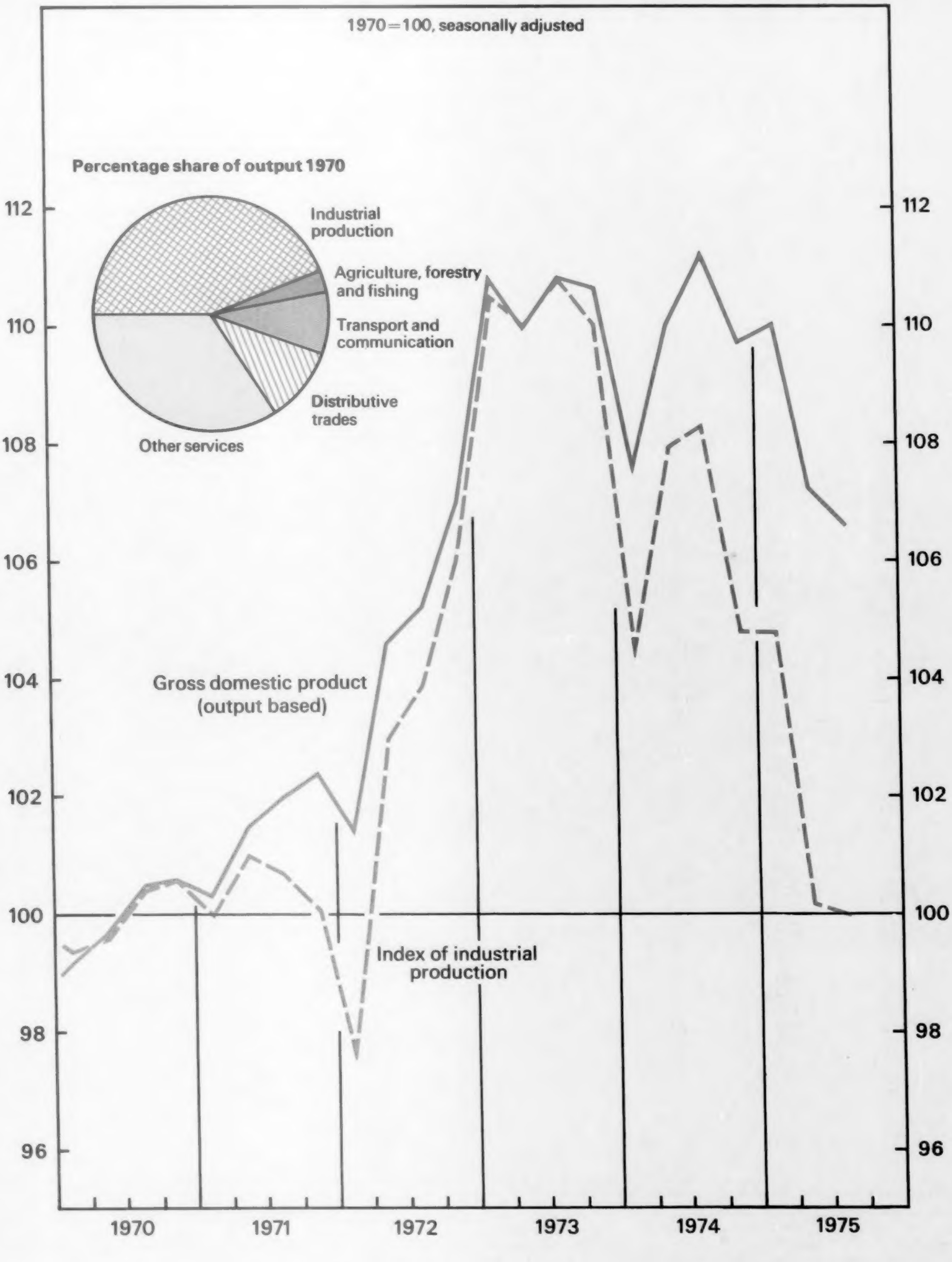
[1] Based on output data.

[2] As from 1970 the gross domestic product is shown adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. The industrial production index is still shown unadjusted for this effect.


1970=100, seasonally adjusted
Percentage share of output 1970
Industrial production
Agriculture, forestry and fishing
Transport and communication
Distributive trades
Other services
Gross domestic product (output based)
Index of industrial production
112
110
108
106
104
102
100
98
96
1970
1971
1972
1973
1974
1975

30

Engineering and construction: output and orders

Seasonally adjusted volume index numbers

		Engineering industries[1]							Construction (GB)	
		Total			Home market		Export			
		Sales	Orders on hand end of period	Net new orders	Orders on hand end of period	Net new orders	Orders on hand end of period	Net new orders	Output[2]	Orders received[3]
		1970 average monthly sales=100	December 1970=100	1970 average monthly sales=100	December 1970=100	1970 average monthly sales=100	December 1970=100	1970 average monthly sales=100	1970=100	1970=100
1964		..	..	..	..	..	..	..	87·1	113·5
1965		..	..	..	..	..	..	..	92·0	107·4
1966		..	..	..	..	..	..	..	93·7	102·4
1967		..	..	..	..	..	..	..	100·1	118·1
1968		..	..	..	..	..	..	..	102·3	108·7
1969		97	101	100	102	99	100	102	101·9	102·6
1970		100	100	99	100	99	100	100	100·0	100·0
1971		101	93	97	95	98	89	93	102·7	107·3
1972		101	99	103	103	108	90	91	104·5	113·6
1973		113	133	134	134	136	131	131	107·8	108·9
1974		111†	128	109	123	105	139	118	98·7	81·0
1970	*1*	99	103	103	103	101	104	107	97·6	101·1
	2	99	103	99	102	98	104	101	99·7	103·4
	3	102	102	98	101	99	103	97	101·8	100·5
	4	100	100	97	100	98	100	95	100·9	95·1
1971	*1*	100	98	95	98	95	99	95	101·7	102·6
	2	101	94	92	94	92	94	91	102·7	107·5
	3	103	94	100	94	101	92	98	102·2	106·9
	4	100	93	99	95	104	89	88	104·4	112·2
1972	*1*	99	97	100	100	106	91	85	105·5	111·0
	2	101	96	100	100	104	90	92	105·9	118·4
	3	102	96	101	100	108	89	84	104·1	105·0
	4	104	99	111	103	114	90	103	102·6	120·1
1973	*1*	112	106	128	111	133	96	116	110·3	118·3
	2	112	113	131	118	134	104	122	106·9	108·6
	3	113	125	144	128	145	118	141	107·6	112·6
	4	114	133	135	134	131	131	144	106·6	96·0
1974	*1*	108	136	117	133	109	142	135	102·2	75·2
	2	112	138	117	133	112	148	128	100·3	74·6
	3	114	134	106	130	106	144	105	98·5	88·7
	4	112	128	97	123	94	139	104	94·0	85·6
1975	*1*	112	119	89†	114	89†	128	89	93·6†	75·4
	2	109	113	94	108	92	123	101†	93·5	76·3†
	3	106	106	90	100	86	118†	100	94·8[4]	86·4[4]
	4									
1974	*J*	114	136	103	131	99	148	114	..	95·8
	A	114	135	106	130	105	146	106	..	92·0
	S	113	134	108	130	113	144	96	..	78·3
	O	113	133	102	128	99	142	110	..	79·3
	N	112	131	94	126	95	140	94	..	82·4
	D	112	128	94	123	88	139	108	..	95·0
1975	*J*	114	124	86	119	85	135	88	..	68·2
	F	113	122	97	117	98	132	95	..	84·4
	M	110	119	85	114	85†	128	85	..	73·5
	A	112	116	94†	111†	94	126	95†	..	81·3
	M	107	115†	100	110	94	126	115	..	65·9†
	J	106†	113	88	108	86	123	93	..	81·6
	J	109	109	84	104	77	121	100	..	96·8[4]
	A	102	108	93	102	86	121	111	..	81·5[4]
	S	108	106	93	100	95	118†	88	..	81·0[4]
	O	107	103	87	96	80	117	102	..	91·2[4]
	N									
	D									

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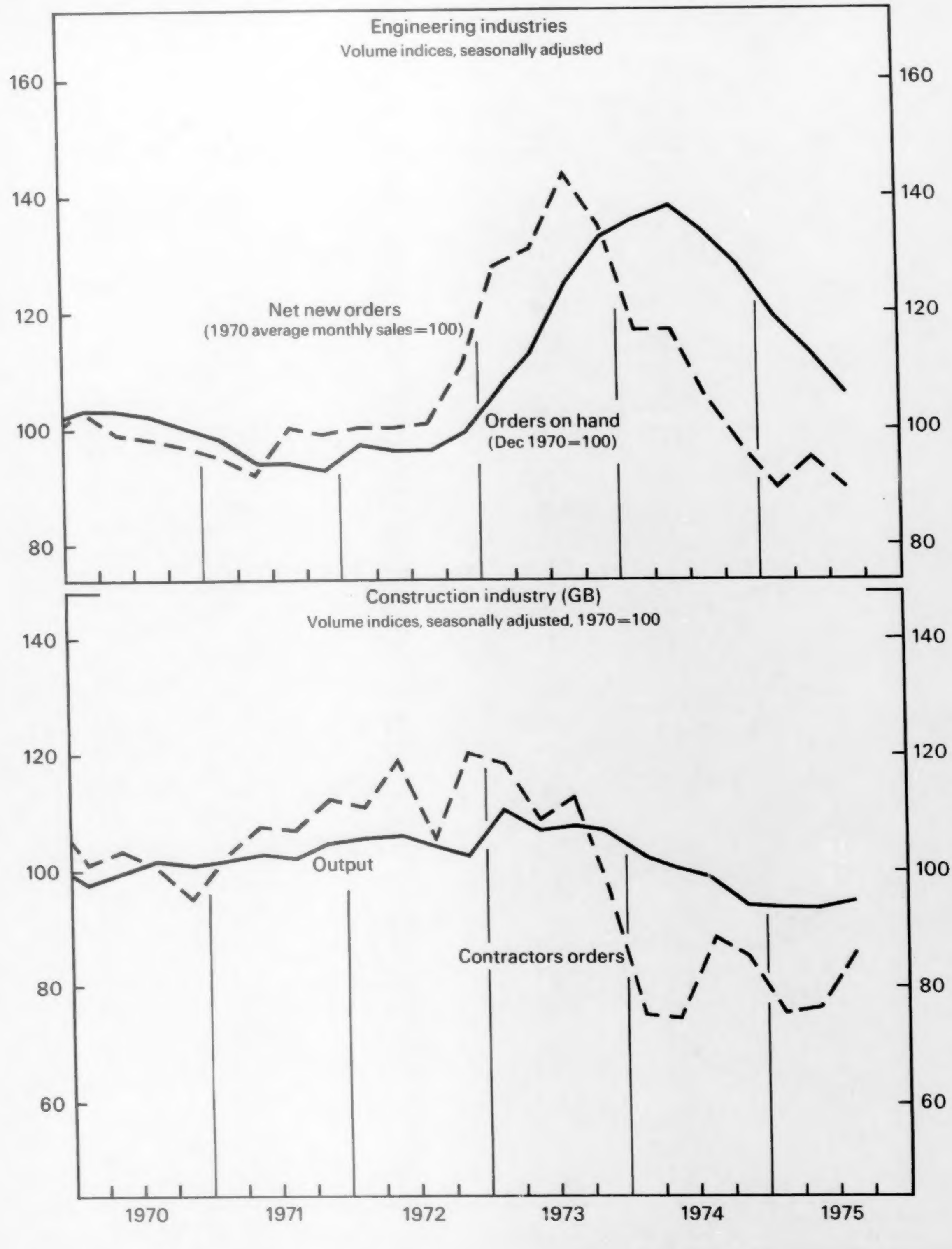
[1] Mechanical, instrument and electrical engineering (SIC Orders VII, VIII and IX).

[2] This index is based on an output series which includes repair and maintenance, estimates of unrecorded output by small firms and self-employed workers, and output by the direct labour departments of the public sector.

[3] New orders from July 1974 include orders received by firms, mostly small, which have now been added to the statistical register. An allowance has been made in the index calculation for this small element of discontinuity.

[4] Provisional.


Engineering industries
Volume indices, seasonally adjusted
Net new orders
(1970 average monthly sales=100)
Orders on hand
(Dec 1970=100)
160
140
120
100
80
Construction industry (GB)
Volume indices, seasonally adjusted, 1970=100
Output
Contractors orders
140
120
100
80
60
1970
1971
1972
1973
1974
1975

32

Motor vehicle production

Seasonally adjusted[1]

Thousands

	Passenger cars§			Commercial vehicles§		
	Total	*Percentage change on year earlier*[2]	*of which:* For export	Total	*Percentage change on year earlier*[2]	*of which:* For export
1964	155·6	*+16·2*	58·8	38·7	*+15·1*	15·0
1965	143·5	*− 7·8*	54·4	37·9	*− 2·0*	14·5
1966	133·6	*− 6·9*	52·1	36·6	*− 3·6*	14·8
1967	129·3	*− 3·2*	47·0	32·1	*−12·2*	11·6
1968	151·3	*+17·1*	66·9	34·1	*+ 6·3*	12·5
1969	143·1	*− 7·2*	68·7	38·8	*+11·7*	16·1
1970	136·7	*− 2·6*	60·2	38·1	*+ 0·1*	15·8
1971	145·2	*+ 6·2*	59·5	38·0	*− 0·3*	15·7
1972	160·1	*+10·3*	51·1	34·0	*−10·6*	11·3
1973	145·6	*− 9·1*	50·4	34·7	*+ 2·1*	13·3
1974	127·8	*−12·2*	49·7	33·5	*− 3·4*	14·2
1970 *1*	132·1	*− 1·6*	58·7	36·3	*− 2·3*	14·6
2	138·7	*− 8·9*	60·2	40·2	*+ 1·0*	16·5
3	123·9	*−17·6*	54·9	33·1	*−20·2*	13·8
4	152·2	*+12·4*	67·2	42·9	*+16·6*	18·5
1971 *1*	127·5	*− 3·4*	58·4	34·3	*− 5·4*	15·1
2	143·5	*+ 3·4*	63·0	41·3	*+ 2·8*	17·0
3	154·5	*+24·7*	62·1	40·6	*+22·9*	17·0
4	155·1	*+ 1·9*	54·7	35·8	*−16·7*	13·6
1972 *1*	142·3	*+11·6*	48·1	30·5	*−11·2*	10·2
2	157·6	*+ 9·8*	51·1	34·7	*−15·9*	12·2
3	168·7	*+ 9·2*	51·7	33·8	*−16·9*	11·2
4	171·9	*+10·8*	53·5	37·0	*+ 3·4*	11·6
1973 *1*	139·7	*− 1·8*	44·5	34·0	*+11·3*	11·7
2	134·7	*−14·5*	46·2	34·1	*− 1·9*	12·2
3	156·7	*− 7·1*	55·0	37·7	*+11·7*	14·8
4	151·3	*−11·9*	56·0	33·1	*−10·6*	14·2
1974 *1*	110·8	*−20·7*	42·4	28·3	*−16·7*	11·7
2	132·1	*− 1·9*	47·5	33·8	*− 0·8*	14·2
3	138·1	*−11·9*	54·7	37·5	*− 0·7*	16·2
4	130·4	*−13·9*	54·1	34·6	*+ 4·6*	14·7
1975 *1*	119·0	*+ 7·4*	42·9	35·7	*+26·0*	15·5
2	89·4	*−32·3*	43·5	30·9	*− 8·7*	15·0
3	113·5	*−17·8*	50·9	31·9	*−14·9*	15·7
4						
1974 *J*	163·3	*− 6·9*	65·8	38·7	*− 3·7*	16·7
A	149·5	*− 7·4*	61·3	38·9	*+ 7·7*	16·8
S	101·4	*−23·9*	36·9	34·9	*− 5·5*	15·1
O	120·8	*−20·1*	48·7	32·8	*−10·4*	14·0
N	141·9	*− 6·8*	60·1	35·4	*+31·1*	15·3
D	128·3	*−14·7*	53·5	35·6	*− 0·1*	14·9
1975 *J*	131·2	*+31·1*	52·9	39·1	*+42·3*	17·4
F	120·8	*+13·6*	36·1	36·0	*+32·2*	15·8
M	105·1	*−16·6*	39·7	31·8	*+ 5·5*	13·4
A	106·8	*− 4·0*	46·3	32·6	*− 3·3*	15·2
M	70·2	*−52·8*	35·6	31·8	*−11·4*	15·3
J	91·2	*−33·2*	48·6	28·2	*−11·5*	14·6
J	122·5	*−25·0*	56·3	32·4	*−16·3*	16·3
A	101·8	*−31·9*	50·1	31·2	*−19·7*	16·1
S	116·1	*+14·5*	46·4	32·1	*− 8·0*	14·7
O	95·4	*−21·0*	35·5	29·6	*− 9·8*	16·1
N	113·0	*−20·4*	49·1	28·1	*−20·5*	15·5
D						

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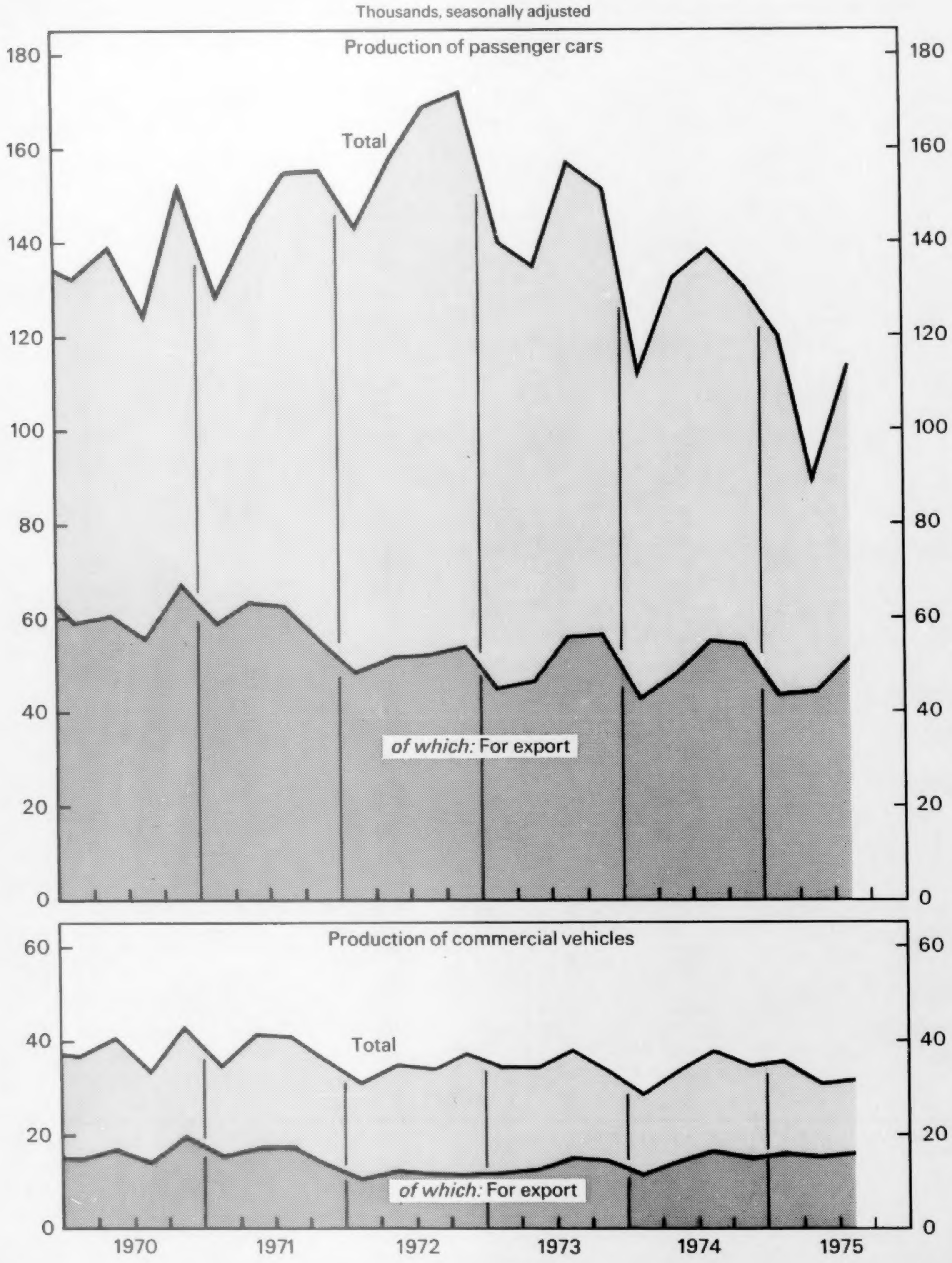
[1] Monthly averages or standardised calendar months.

[2] To take account of the occurrence of 53-week years in 1964 and 1969, the average weekly number of vehicles produced in each year has been used to calculate the percentage changes shown for the annual figures.


Thousands, seasonally adjusted
Production of passenger cars
Total
of which: For export
180
160
140
120
100
80
60
40
20
0
Production of commercial vehicles
Total
of which: For export
60
40
20
0
1970
1971
1972
1973
1974
1975

34

Output per person employed

Seasonally adjusted

1970=100

	Total employed labour force	Employment		Output per person employed[1]		
		Index of production industries	Manufacturing industries	Whole economy	Index of production industries	Manufacturing industries
1964	101·0	104·7	101·3	86·0	82·6	84·0
1965	102·0	105·9	102·6	87·5	84·1	85·4
1966	102·3	105·6	102·6	88·8	85·8	86·9
1967	100·9	102·8	99·8	91·7	89·2	90·0
1968	100·5	101·4	99·0	96·0†	96·0†	96·9†
1969	100·5	101·5	100·3	97·8	98·3	99·1
1970	100·0	100·0	100·0	100·0	100·0	100·0
1971	98·3	96·9	96·8	103·4	103·7	103·0
1972	99·1	94·6	93·7	105·4	108·5	109·3
1973	101·1	95·8	94·2	109·3	115·1	117·7
1974	101·5	95·5	94·5	108·0	111·3	114·1
1969 *3*	100·5	101·4	100·4	98·1†	98·7†	99·5†
4	100·3	101·2	100·6	98·3	98·6	99·1
1970 *1*	100·4	100·7	100·4	98·8	98·7	98·8
2	100·0	100·3	100·3	99·7	99·3	99·1
3	99·9	99·8	99·9	100·6	100·7	100·6
4	99·7	99·2	99·4	100·9	101·4	101·4
1971 *1*	98·6	98·7	98·9	101·7	101·3	100·5
2	98·6	97·3	97·3	102·9	103·8	103·1
3	98·0	96·3	96·2	104·1	104·6	104·1
4	97·9	95·3	94·9	104·6	105·0	104·3
1972 *1*	98·5†	94·6	94·0	102·9	103·2	104·1
2	98·6	94·5	93·7	106·1	109·0	108·8
3	99·2	94·4	93·5	106·0	110·1	110·4
4	99·8	94·7	93·4	107·2	111·9	113·9
1973 *1*	100·9	95·4	93·8	109·8	115·3	117·9
2	100·9	95·7	94·1	108·9	114·9	117·4
3	101·3	95·9	94·2	109·4	115·5	118·5
4	101·4	96·0	94·5	109·1	114·6	117·6
1974 *1*	101·0	95·8	94·4	106·4	109·0	112·8
2	101·4	95·7	94·7	108·5	112·7	115·5
3	101·9[2]	95·6[2]	94·7[2]	109·1[2]	113·3[2]	115·7[2]
4	101·6	95·0	94·1	108·0	110·3	112·3
1975 *1*	100·7	94·1	93·1	109·2	111·4	114·0
2	100·8	92·9	91·4	106·3	107·9	109·8
3		91·5	89·7		109·3	111·6
4						
	Percentage change, quarter on corresponding quarter of previous year					
1973 *3*	*+2·1*	*+1·6*	*+0·7*	*+3·1*	*+ 4·9†*	*+ 7·3†*
4	*+1·6*	*+1·4*	*+1·2*	*+1·8†*	*+ 2·4*	*+ 3·2*
1974 *1*	*+0·1*	*+0·4*	*+0·6*	*−3·0*	*− 5·5*	*− 4·3*
2	*+0·4*	—	*+0·6*	*−0·3*	*− 1·9*	*− 1·6*
3	*+0·6*	*−0·3*	*+0·5*	*−0·2*	*− 1·9*	*− 2·4*
4	*+0·2*	*−1·0*	*−0·4*	*−1·0*	*− 3·8*	*− 4·5*
1975 *1*	*−0·2*	*−1·8*	*−1·4*	*+2·5*	*+ 2·2*	*+ 1·1*
2	*−0·6*	*−2·9*	*−3·5*	*−2·0*	*− 4·3*	*− 4·9*
3		*−4·3*	*−5·3*		*− 3·5*	*− 3·5*
4						

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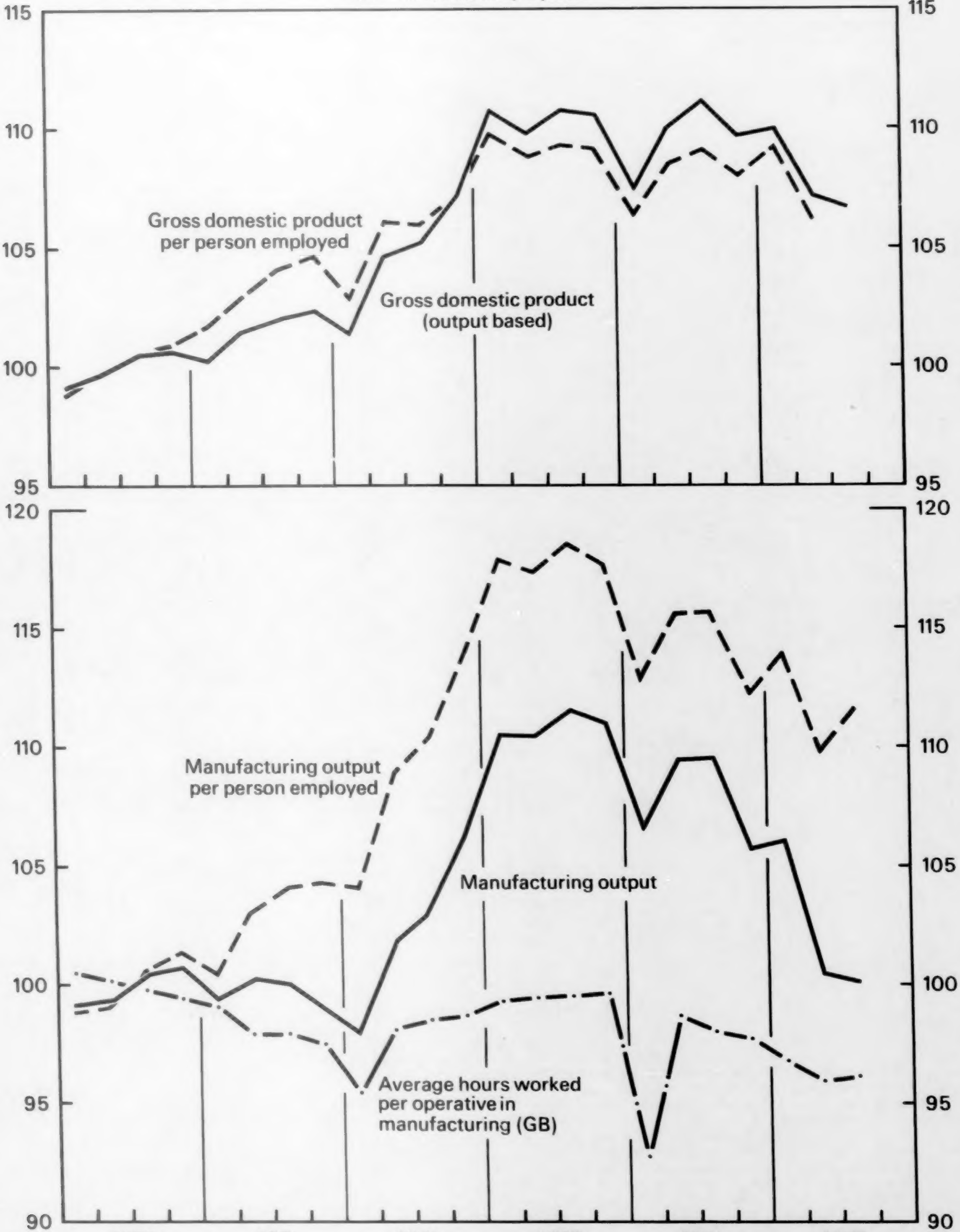
[1] The ratios do not take into account part-time working or hours of work.

[2] Figures after June 1974 are provisional.


1970 = 100, seasonally adjusted

36

National employment and unemployment

		United Kingdom						Great Britain				
		Unadjusted				Seasonally adjusted		Seasonally adjusted				
		Thousands				Unemployed excluding school-leavers and adult students§		Employees employed in manufacturing industries[2]	Average hours worked per operative in manufacturing[1]	Unemployed excluding school-leavers and adult students§		Vacancies notified to employment offices§
		Employees in employment[2]	Total employed labour force[2]	Unemployed	Working population[2]	Thousands	Percentage rate[3]	1970=100	1970=100	Thousands	Percentage rate[3]	Thousands
1964		22,812†	24,952†	349	25,301†	393·7	1·7	101·5	103·8	361·7	1·6	220·8
1965		23,080	25,205	299	25,504†	338·2	1·4	102·8	102·5	308·4	1·3	265·1
1966		23,253	25,357	281	25,638	353·3	1·5	103·1	100·8	323·4	1·4	254·8
1967		23,808	25,001	503	25,504	547·2	2·3	99·9	100·1	509·8	2·2	174·0
1968		23,650	24,845	542	25,387	574·4	2·4	99·0	100·9	538·4	2·3	188·0
1969		22,619	24,875	518	25,393	566·3	2·4	100·3	101·0	530·7	2·3	199·6
1970		22,471	24,738	555	25,293	602·0	2·6	100·2	100·0	567·8	2·5	185·8
1971		22,122	24,400	724	25,124	775·8	3·4	96·8	98·0	737·0	3·3	129·0
1972		22,120	24,428	806	25,234	855·0	3·7	93·4	97·6	816·0	3·6	145·3
1973		22,662	25,002	576	25,578	611·0	2·6	94·1	99·5	580·7	2·6	303·9
1974		22,790	25,112	543	25,655	600·1[4]	2·6[4]	94·5[5]	96·8	571·7[4]	2·5[4]	297·7[4]
1970	*1*	22,482†	24,747†	637	25,384†	586·9	2·5	100·5	100·5	553·1	2·4	194·2
	2	22,471	24,738	555	25,293	597·8	2·5	100·2	100·2	564·4	2·5	189·1
	3	22,482	24,752	616	25,368	606·8	2·6	99·7	99·8	572·2	2·5	185·1
	4	22,404	24,679	641	25,320	617·5	2·6	99·2	99·4	582·7	2·5	174·3
1971	*1*	22,050	24,327	738	25,065	668·5	2·9	98·6	99·1	632·1	2·8	149·9
	2	22,122	24,400	724	25,124	750·3	3·3	96·8	97·9	712·5	3·2	127·2
	3	21,985	24,271	855	25,126	813·1	3·6	95·7	97·9	773·2	3·5	120·4
	4	21,948	24,244	911	25,155	871·6	3·8	94·4	97·5	830·2	3·7	118·6
1972	*1*	22,030	24,331	967	25,298	910·1	4·0	93·6	95·4	869·1	3·9	124·2
	2	22,120	24,428	806	25,234	879·0	3·8	93·4	98·1	838·1	3·7	133·4
	3	22,253	24,574	891	25,465	841·0	3·7	93·3	98·5	802·6	3·6	147·1
	4	22,387	24,717	782	25,499	789·4	3·4	93·2	98·7	753·6	3·4	176·2
1973	*1*	22,583	24,919	717	25,636	702·5	3·0	93·9	99·3	669·0	2·9	229·4
	2	22,662	25,002	576	25,578	636·2	2·7	94·1	99·4	604·7	2·7	290·4
	3	22,752	25,089	578	25,667	584·4	2·5	94·0	99·5	555·0	2·4	334·0
	4	22,773	25,106	514	25,620	520·7	2·2	94·7	99·6	493·8	2·2	361·4
1974	*1*	22,617	24,944	618	25,562	572·9	2·5	94·2	92·8	545·5	2·4	286·3
	2	22,790	25,112	543	25,655	579·4	2·5	94·5	98·7	552·2	2·4	310·7
	3					621·2	2·7	94·4[5]	98·0	592·2	2·6	306·1
	4					..[6]	..[6]	93·6	97·7	..[6]	..[6]	..[6]
1975	*1*					733·3	3·1	92·4	96·8	701·3	3·1	..[6]
	2					849·7	3·6	90·5	95·9	813·4	3·6	156·7
	3					1,008·5	4·3	89·2	96·1	967·4	4·2	132·5
	4					1,125·7	4·8			1,080·1	4·7	117·0
1974	*O*	..	..	..	..	636·8	2·7	94·3	97·7	606·5	2·7	293·5
	N	..	..	..	..	643·5	2·8	94·1	97·6	612·8	2·7	272·5
	D	..	..	..	..	..[6]	..[6]	93·6	97·7	..[6]	..[6]	..[6]
1975	*J*[7]	..	..	..	..	709·0	3·0	93·4	97·4	678·0	3·0	..[6]
	F	..	..	..	..	736·7	3·2	92·9	96·6	704·5	3·1	192·4
	M	..	..	..	..	754·1	3·2	92·4	96·4	721·5	3·2	186·1
	A	..	..	..	..	794·3	3·4	91·8	96·3	759·9	3·3	173·3
	M	..	..	..	..	853·5	3·7	91·1	95·7	816·7	3·6	155·6
	J	..	..	..	..	901·4	3·9	90·5	95·6	863·7	3·8	141·3
	J	..	..	..	..	976·5	4·2	89·8	96·2	937·8	4·1	128·8
	A	..	..	..	..	1,008·8	4·3	89·5	95·9	967·1	4·2	134·0
	S	..	..	..	..	1,040·1	4·5	89·2	96·2	997·2	4·4	134·8
	O	..	..	..	..	1,088·5[8]	4·7[8]	88·8	96·3	1,042·8[8]	4·6[8]	123·7[9]
	N	..	..	..	..	1,125·3	4·8	88·6	96·4	1,079·3	4·7	114·8
	D	..	..	..	..	1,163·2	5·0			1,118·1	4·9	112·5

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[1] The annual figures are the averages of the *unadjusted* monthly figures.

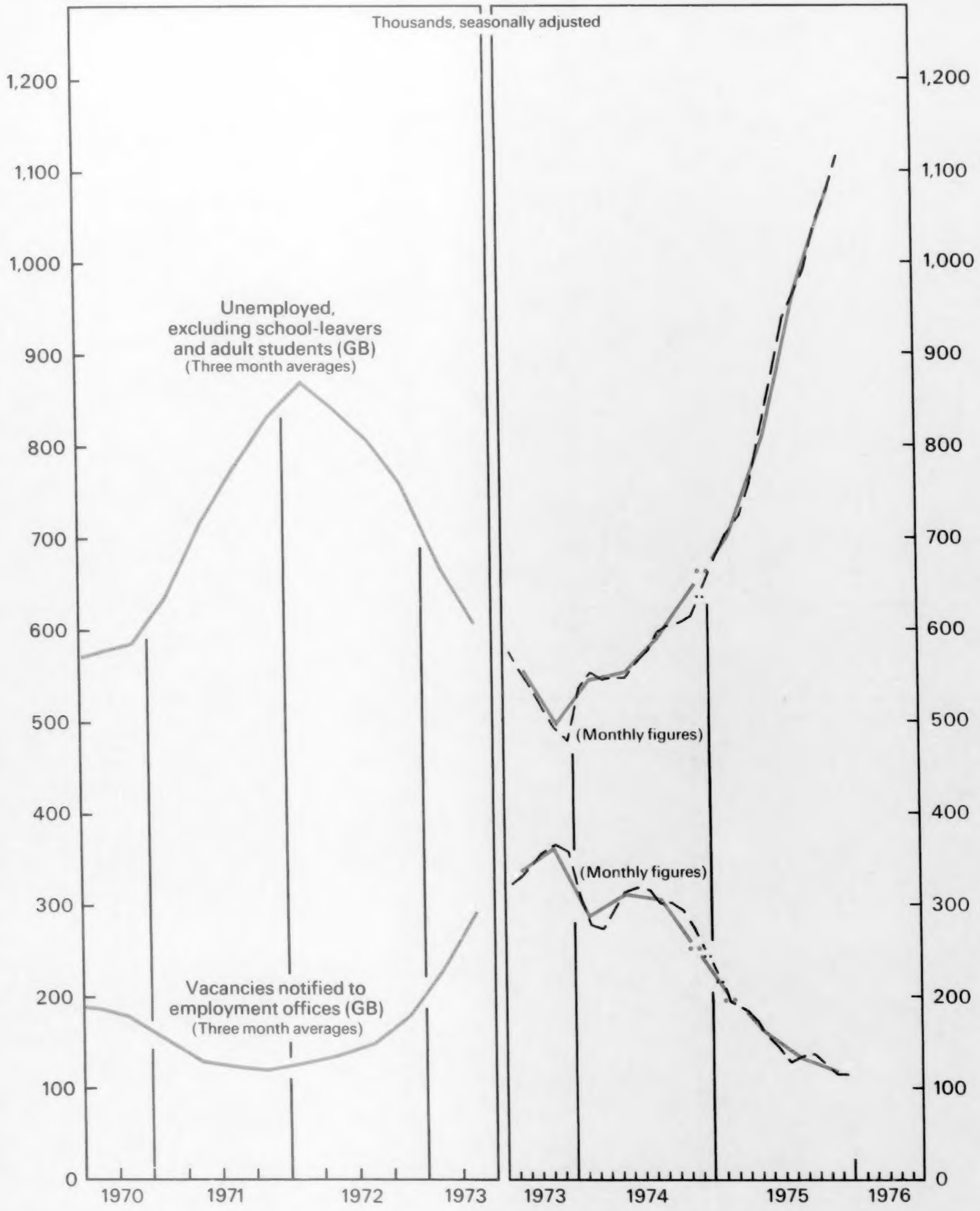
[2] From 1971, the employees in employment estimates are based on an annual census of employment. For the years before 1971 estimates are taken from the continuous employment series published in the October 1975 issue of the *Department of Employment Gazette.* Annual estimates relate to mid-year. [3] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed): The latest figure available is that for mid-1974.

[4] The figures shown for 1974 are averages of eleven months. [5] Estimates after June 1974 are provisional.

[6] Figure not available due to industrial action. For further details see note on page 129 of the *Department of Employment Gazette*, February 1975.

[7] The figures shown for unemployment relate to the *estimate* of *20 January 1975.* For further details see note on page 129 of the *Department of Employment Gazette*, February 1975.

[8] From October 1975 the day of the unemployment count was changed from Monday to Thursday. Adjustments to the total unemployed to take into account amendments notified on the four days following the count were discontinued. See *Department of Employment Gazette,* September 1975, page 906. [9] From October 1975 the day of the notified vacancies-unfilled count, was changed from Wednesday to Friday


Thousands, seasonally adjusted
1,200
1,100
1,000
900
800
700
600
500
400
300
200
100
0
Unemployed, excluding school-leavers and adult students (GB) (Three month averages)
Vacancies notified to employment offices (GB) (Three month averages)
(Monthly figures)
(Monthly figures)
1970
1971
1972
1973
1973
1974
1975
1976

Regional unemployment rates[1]

Seasonally adjusted

Per cent

	North[2]	Yorkshire and Humberside[2]	East Midlands[2]	East Anglia	South East[2]	South West[2]	West Midlands
1970 *1*	4·6	2·7	2·1	2·0	1·6	2·7	1·8
2	4·6	2·8	2·2	2·0	1·6	2·8	1·8
3	4·4	2·8	2·2	2·1	1·6	2·8	1·9
4	4·4	2·8	2·3	2·3	1·6	2·8	2·0
1971 *1*	4·8	3·1	2·5	2·7	1·8	3·0	2·3
2	5·3	3·6	2·8	3·1	2·0	3·2	2·7
3	5·8	3·9	3·0	3·2	2·1	3·4	3·1
4	6·1	4·2	3·1	3·3	2·2	3·6	3·5
1972 *1*	6·4	4·4	3·2	3·3	2·3	3·7	3·8
2	6·1	4·2	3·1	2·9	2·2	3·5	3·7
3	6·0	4·0	2·9	2·7	2·1	3·2	3·4
4	5·7	3·7	2·7	2·5	1·9	3·0	3·1
1973 *1*	5·0	3·2	2·3	2·1	1·7	2·6	2·6
2	4·7	2·9	2·1	1·9	1·5	2·5	2·2
3	4·3	2·6	1·9	1·8	1·4	2·3	2·0
4	3·9	2·3	1·8	1·6	1·3	2·1	1·7
1974 *1*	4·2	2·6	2·0	1·6	1·5	2·3	2·0
2	4·3	2·5	2·1	1·8	1·5	2·5	2·0
3	4·6	2·6	2·2	2·0	1·6	2·8	2·1
4	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]
1975 *1*	4·9	3·0	2·7	2·7	2·0	3·7	2·7
2	5·4	3·4	3·2	3·2	2·4	4·3	3·4
3	6·0	4·1	3·8	3·7	3·0	4·9	4·4
4	6·4	4·6	4·1	4·2	3·4	5·5	5·0

	North West[2]	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1970 *1*	2·5	3·8	3·8	2·4	6·5	2·5
2	2·6	3·8	4·0	2·5	6·5	2·5
3	2·7	3·7	4·2	2·5	6·7	2·6
4	2·8	3·7	4·4	2·5	6·7	2·6
1971 *1*	3·1	3·8	5·0	2·8	7·2	2·9
2	3·6	4·2	5·6	3·2	7·4	3·3
3	4·0	4·5	6·0	3·5	7·8	3·6
4	4·5	4·7	6·3	3·7	8·1	3·8
1972 *1*	4·8	5·0	6·6	3·9	8·1	4·0
2	4·8	4·8	6·4	3·7	8·1	3·8
3	4·7	4·6	6·1	3·6	7·6	3·7
4	4·5	4·4	5·9	3·4	7·0	3·4
1973 *1*	4·1	3·8	5·2	2·9	6·6	3·0
2	3·6	3·5	4·7	2·7	6·2	2·7
3	3·3	3·3	4·2	2·4	5·8	2·5
4	2·9	3·0	3·7	2·2	5·3	2·2
1974 *1*	3·2	3·4	3·9	2·4	5·3	2·5
2	3·2	3·6	3·8	2·4	5·2	2·5
3	3·5	3·7	4·0	2·6	5·6	2·7
4	..[3]	..[3]	..[3]	..[3]	5·9	..[3]
1975 *1*	4·1	4·3	4·2	3·1	6·1	3·1
2	4·7	5·0	4·6	3·6	7·0	3·6
3	5·4	5·8	5·3	4·2	7·9	4·3
4	6·0	6·5	5·7	4·7	8·8	4·8

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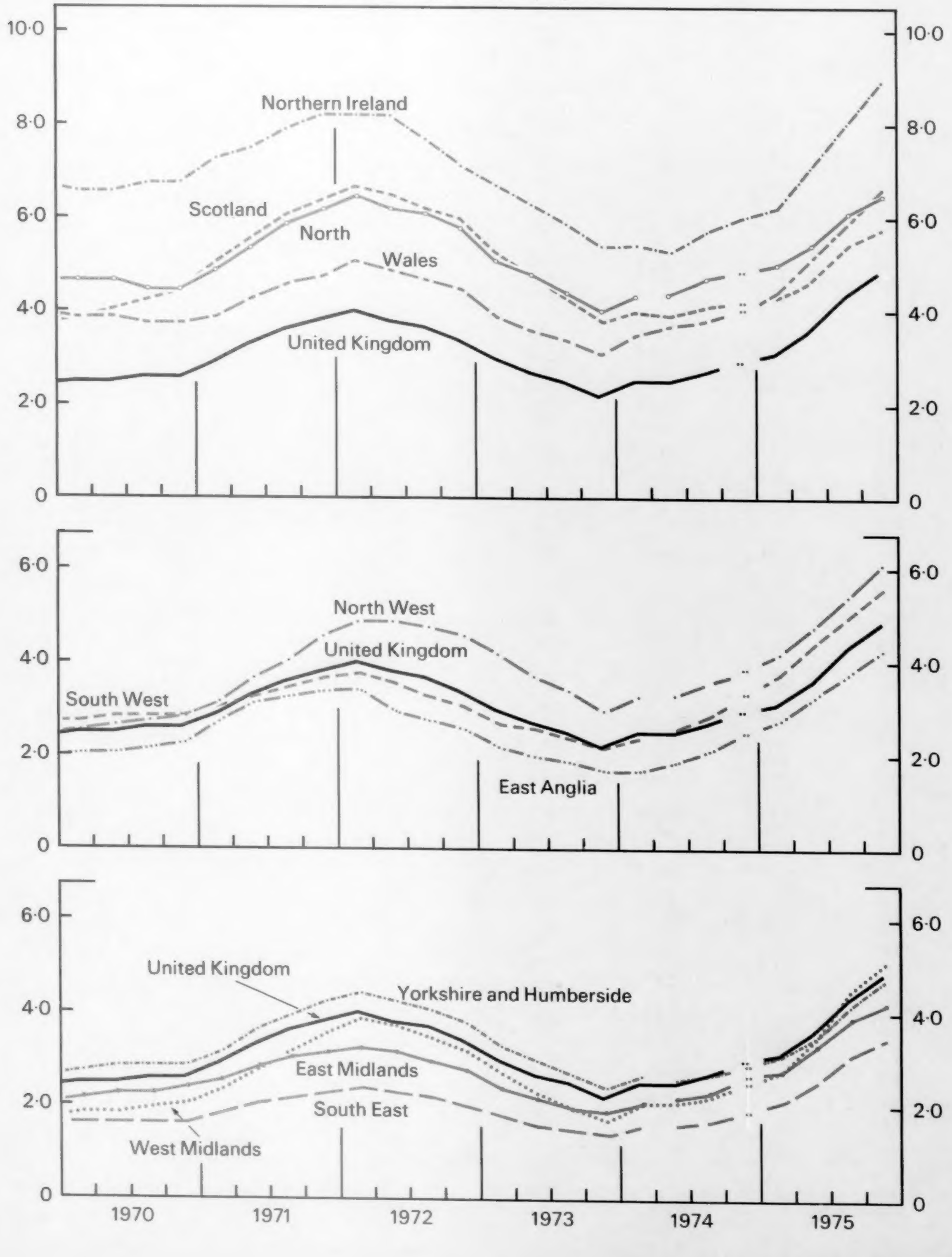
[1] Numbers unemployed excluding school-leavers and adult students expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed). The latest figure available is that for mid-1974.

[2] The boundaries of the standard regions were revised in April 1974.

[3] Figure not available due to industrial action. For further details see note on page 129 of the *Department of Employment Gazette*, February 1975.



Percentage rates, seasonally adjusted

Wage rates and earnings

	Unadjusted		**Seasonally adjusted**					
	31 July 1972=100[1]		**January 1970=100**				**1970=100**	
	Basic weekly wage rates (manual workers)		Average earnings (GB)(wages and salaries combined)				Wages and salaries per unit of output	
	All industries and services	Manufacturing industry	All industries and services covered§	*Percentage increase on year earlier*	Manufacturing industry	*Percentage increase on year earlier*	Whole economy	Manufacturing industry
1964	56·4	56·3	69·2	*7·7*	69·1	*8·0*	76·4	75·1
1965	58·8	58·4	74·1	*7·1*	73·7	*6·8*	79·6	79·5
1966	61·5	61·2	79·0	*6·6*	78·3	*6·2*	83·6	82·9
1967	63·9	63·6	81·8	*3·6*	81·1	*3·6*	85·0	82·9
1968	68·1	68·4	88·2	*7·8*	87·8	*8·2*	87·2	83·2†
1969	71·7	72·1	95·2	*7·8*	94·9	*8·1*	91·3	88·5
1970	78·8	79·4	106·7	*12·1*	107·0	*12·7*	100·0	100·0
1971	89·0	89·3	118·7	*11·3*	118·9	*11·2†*	109·6	108·5
1972	101·3	101·5	134·1[2]	.. [2]	134·3[2]	.. [2]	119·2	114·5
1973	115·2	114·6	152·1	.. [2]	151·6	.. [2]	130·1†	121·1
1974	138·0	134·3	178·8	*17·5*	177·1	*16·9*	155·0	146·2
1970 *1*	75·7	76·2	101·6	*10·2*	101·4	*10·4*	96·5	95·5
2	77·5	78·0	105·0	*11·6*	105·0	*12·0*	98·9	99·0
3	79·5	80·3	108·3	*13·0*	108·9	*13·9*	100·9	101·4 †
4	82·6	82·9	111·9	*13·6*	112·5	*14·5*	103·6	104·1
1971 *1*	85·8	86·4	114·9	*13·0*	115·1	*13·4*	106·9	107·0
2	87·6	88·4	117·1	*11·6*	117·4	*11·8*	108·7	107·3
3	89·8	90·0	120·4	*11·1*	120·4	*10·6*	110·6	108·9
4	92·8	92·1	122·5	*9·5*	122·8	*9·1*	111·9	110·7
1972 *1*	96·0	95·5	126·4[3]	.. [4]	126·8[3]	.. [4]	118·0	.. [3]
2	98·1	98·2	130·5	*11·4*	131·2	*11·7*	117·2	113·7
3	103·4	104·6	135·0	*12·1*	135·7	*12·7*	119·9	115·7
4	107·9	107·6	141·8	*15·8*	140·9	*14·8*	121·6	116·5
1973 *1*	108·7	108·1	144·0	.. [4]	143·7	.. [4]	124·9†	115·1
2	113·4	111·7	149·6	*14·6*	148·9	*13·5*	128·3	119·2
3	118·1	117·8	154·7	*14·6*	153·7	*13·3*	132·2	122·2
4	120·6	120·7	159·8	*12·7*	160·0	*13·5*	135·5	127·8
1974 *1*	124·3	122·7	159·1[5]	*10·2*[5]	157·3[5]	*9·5*[5]	146·0	131·4
2	131·7	128·0	170·1	*13·7*	168·5	*13·2*	147·4	138·1
3	143·2	139·4	185·5	*19·9*	184·0	*19·7*	157·4	149·9
4	152·7	147·1	200·3	*25·4*	198·7	*24·2*	169·0	165·5
1975 *1*	162·7	155·1	209·6	*31·7*	207·3	*31·8*	188·7	172·6
2	175·3	171·8	218·1	*28·2*	214·6	*27·3*	197·5	184·1
3	184·3†	180·5†	234·5	*26·4*	230·7	*25·4*	212·2	194·3
4								
1974 *J*	139·1	133·5	181·4	*18·1*	179·9	*18·2*	..	145·4†
A	144·8	142·1	185·9	*20·5*	183·9	*20·0*	..	149·7
S	145·6	142·6	189·0	*21·0*	188·1	*20·7*	..	154·5
O	147·9	143·9	191·8	*21·3*	191·1	*21·1*	..	160·5
N	153·1	147·0	200·8	*25·4*	199·9	*24·7*	..	166·8
D	157·1	150·3	208·3	*29·4*	205·1	*26·7*	..	169·1
1975 *J*	158·9	151·8	206·2	[4]	204·0	[4]	..	170·4
F	161·1	152·2	209.9	[4]	207·3	[4]	..	171·4
M	168·1	161·4	212·8	*27·9*	210·8	*27·7*	..	176·0
A	169·1	162·6	215·4	*80·7*	212·2	*30·5*	..	180·9
M	175·4	174·3	217·7	*28·4*	213·7	*27·4*	..	183·9
J	181·5†	178·6†	221·2	*25·6*	217·8	*24·3*	..	187·4
J	183·6	179·5	231·6	*27·6*	227·5	*26·5*	..	191·4
A	184·4	180·6	234·0†	*25·9†*	230·7	*25·5*	..	194·7
S	184·8	181·3	237·9	*25·8*	233·9	*24·3*	..	196·8
O	186·1	181·7	239·3[6]	*24·7*[6]	237·2[6]	*24·2*[6]		
N	193·6	192·5						
D								

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[1] Prior to July 1972 the series was based on 31 January 1956=100. Figures before July 1972 have therefore been linked.

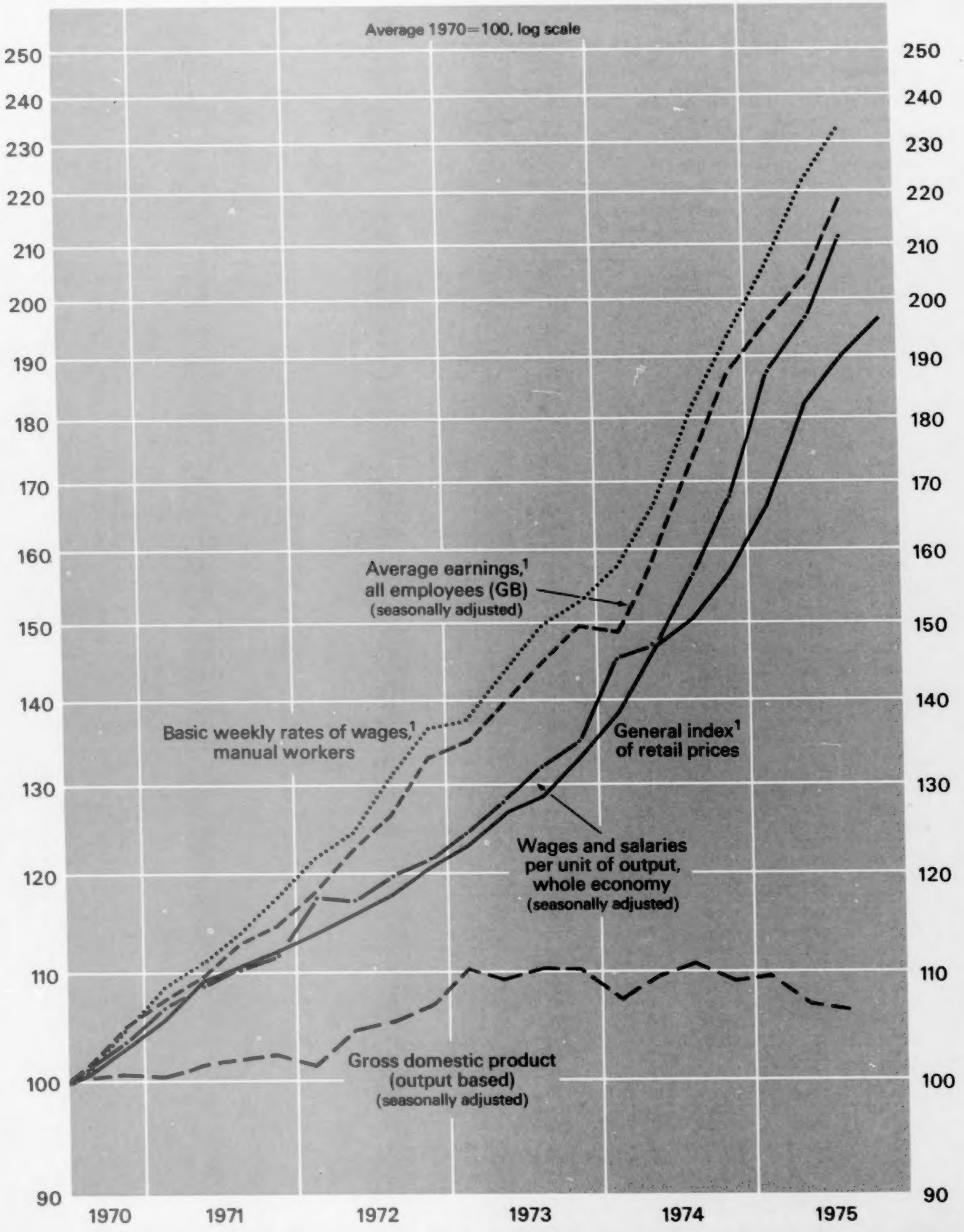
[2] Average of 11 months. See footnote[5].

[3] In the absence of earnings data for February 1972 due to the effects of the coalmining dispute, no index of wages and salaries per unit of output has been calculated for that month. The indices calculated for January and March 1972 are less reliable than usual.

[4] The three-day week depressed earnings so much in January and February 1974 that the crude percentage figures for the increases in January and February 1975 are meaningless.

[5] The figures reflect temporary reductions in earnings while three-day working and other restrictions were in operation.

[6] Provisional.



[1] Three month average of monthly figures

42

Prices

Unadjusted

	Average 1970 = 100										**Average 1970 = 100 p**
	Wholesale prices index		General index of retail prices						Pensioner price index[1]		
	Materials and fuel purchased by manufacturing industry[2]	Output All manufactured products Home sales[3]	All items		Total food	Total non-food	All items other than seasonal food		One person household	Two person household	Purchasing power of the pound[4]
			Index	*Percentage increase on year earlier*			Index	*Percentage increase on year earlier*			
1965	82·2	83·3	80·0	*4·8*	79·7	80·0	80·2	*4·7*	79·5	79·8	125
1966	84·2	85·6	83·1	*3·9*	82·5	83·3	83·2	*3·7*	83·0	83·0	120½
1967	83·8	86·5	85·2	*2·5*	84·6	85·4	85·2	*2·4*	84·9	85·0	117½
1968	91·5	89·9	89·2	*4·7*	87·9	89·6	89·3	*4·8*	88·8	88·8	112
1969	95·0	93·4	94·0	*5·4*	93·5	94·2	93·9	*5·2*	93·5	93·7	106½
1970	100·0	100·0	100·0	*6·4*	100·0	100·0	100·0	*6·5*	100·0	100·0	100
1971	104·6	109·0	109·4	*9·4*	111·1	108·9	109·5	*9·5*	110·1	109·9	91½
1972	109·2	114·8	117·2	*7·1*	120·9	116·0	117·0	*6·9*	118·5	118·0	85½
1973	144·5	123·2	128·0	*9·2*	139·1	124·4	126·7	*8·3*	130·0	130·1	78
1974	215·3	152·0	148·5	*16·1*	164·2	143·4	147·0	*16·0*	150·9	151·1	67½
1975											54
1970 *1*	99·2	96·7	97·1	*5·0*	97·2	97·2	97·0	*4·9*	97·6	97·6	103
2	99·7	98·9	99·5	*5·8*	100·6	99·1	98·9	*5·9*	99·4	99·4	100½
3	99·8	100·9	100·6	*6·9*	100·4	100·7	100·8	*7·0*	100·1	100·2	99½
4	101·4	103·4	102·7	*7·7*	101·8	103·1	103·1	*8·0*	102·8	102·6	97
1971 *1*	103·0	106·3	105·5	*8·6*	105·6	105·4	105·6	*8·8*	105·9	105·8	95
2	104·9	108·7	109·3	*9·8*	111·5	108·6	109·0	*10·2*	109·4	109·3	91½
3	105·6	110·3	110·8	*10·1*	112·8	110·1	110·9	*10·0*	111·6	111·3	90
4	104·8	110·8	112·2	*9·2*	114·4	111·5	112·3	*8·9*	113·6	113·0	89
1972 *1*	105·6	112·1	113·9	*8·0*	117·8	112·6	113·9	*7·9*	115·9	115·3	88
2	106·1	113·5	116·0	*6·2*	119·0	115·0	115·9	*6·3*	117·3	116·7	86
3	109·4	115·6	118·0	*6·5*	122·3	116·5	117·8	*6·2*	119·1	118·8	85
4	115·6	118·0	120·8	*7·7*	124·7	119·6	120·7	*7·4*	122·0	121·4	83
1973 *1*	126·0	119·5	123·0	*8·0*	131·1	120·3	122·2	*7·3*	125·0	124·9	81½
2	133·3	120·1	126·9	*9·3*	137·4	123·5	125·2	*8·1*	129·0	129·1	79
3	150·9	124·2	128·8	*9·2*	139·8	125·3	127·7	*8·5*	130·2	130·4	77½
4	167·6	129·1	133·2	*10·3*	148·1	128·5	131·8	*9·2*	135·7	135·9	75
1974 *1*	212·5	138·3	138·8	*12·9*	156·2	133·3	137·2	*12·3*	142·2	142·2	72
2	213·7	148·9	147·0	*15·9*	161·7	142·2	145·3	*16·0*	148·0	148·8	68
3	212·9	156·1	150·7	*17·0*	164·5	146·1	149·4	*17·0*	152·7	152·9	66½
4	222·1	164·9	157·5	*18·2*	174·3	152·0	156·1	*18·5*	160·7	160·5	63½
1975 *1*	220·9	176·0	167·0	*20·3*	188·5	160·2	165·6	*20·7*	170·6	170·3	60
2	225·6	186·3	182·7	*24·3*	205·9	175·4	180·7	*24·4*	188·9	188·5	54½
3	239·3†	193·4†	190·7	*26·5*	211·3	184·0	188·7	*26·3*	195·8	195·7	52½
4	255·5[5]	199·1[5]	197·3	*25·3*	218·7	190·3	195·2	*25·0*			50½
1974 *J*	212·3	153·5	150·1	*17·1*	163·2	145·7	148·6	*17·2*	..	..	66½
A	213·7	156·1	150·2	*16·9*	164·1	145·7	149·0	*16·7*	..	..	66½
S	212·8	158·6	151·9	*17·1*	166·3	147·0	150·6	*17·1*	..	..	66
O	220·1	162·2	154·9	*17·1*	170·7	149·8	153·6	*17·3*	..	..	64½
N	223·8	164·8	157·6	*18·3*	175·2	151·9	156·1	*18·4*	..	..	63½
D	222·5	167·6	159·9	*19·1*	176·9	154·4	158·6	*19·5*	..	..	62½
1975 *J*	222·1	173·0	164·1	*19·9*	183·0	157·9	162·8	*20·5*	..	..	61
F	218·8	175·9	166·8	*19·9*	187·7	160·2	165·5	*20·2*	..	..	60
M	221·9	179·2	170·0	*21·2*	194·9	162·4	168·6	*21·4*	..	..	59
A	222·9	182·5	176·6	*21·7*	202·1	168·8	174·8	*21·7*	..	..	56½
M	226·2	187·3	184·0	*25·0*	205·3	177·0	182·1	*25·2*	..	..	54½
J	227·7	189·0	187·6	*26·1*	210·2	180·3	185·2	*26·2*	..	..	53½
J	233·2	191·7	189·4	*26·3*	210·8	182·5	187·1	*25·9*	..	..	53
A	241·4	193·5	190·6	*26·9*	210·8	184·0	188·7	*26·7*	..	..	52½
S	243·2	194·9	192·2	*26·6*	212·3	185·6	190·4	*26·4*	..	..	52
O	251·7[5]†	197·0[5]	194·9	*25·9*	214·1	188·6	192·9	*25·6*	..	..	51½
N	256·1[5]	198·8[5]†	197·3	*25·2*	219·0	190·2	195·2	*25·0*	..	..	50½
D	258·6[5]	201·4[5]	199·7	*24·9*	223·1	192·2	197·4	*24·4*	..	..	50

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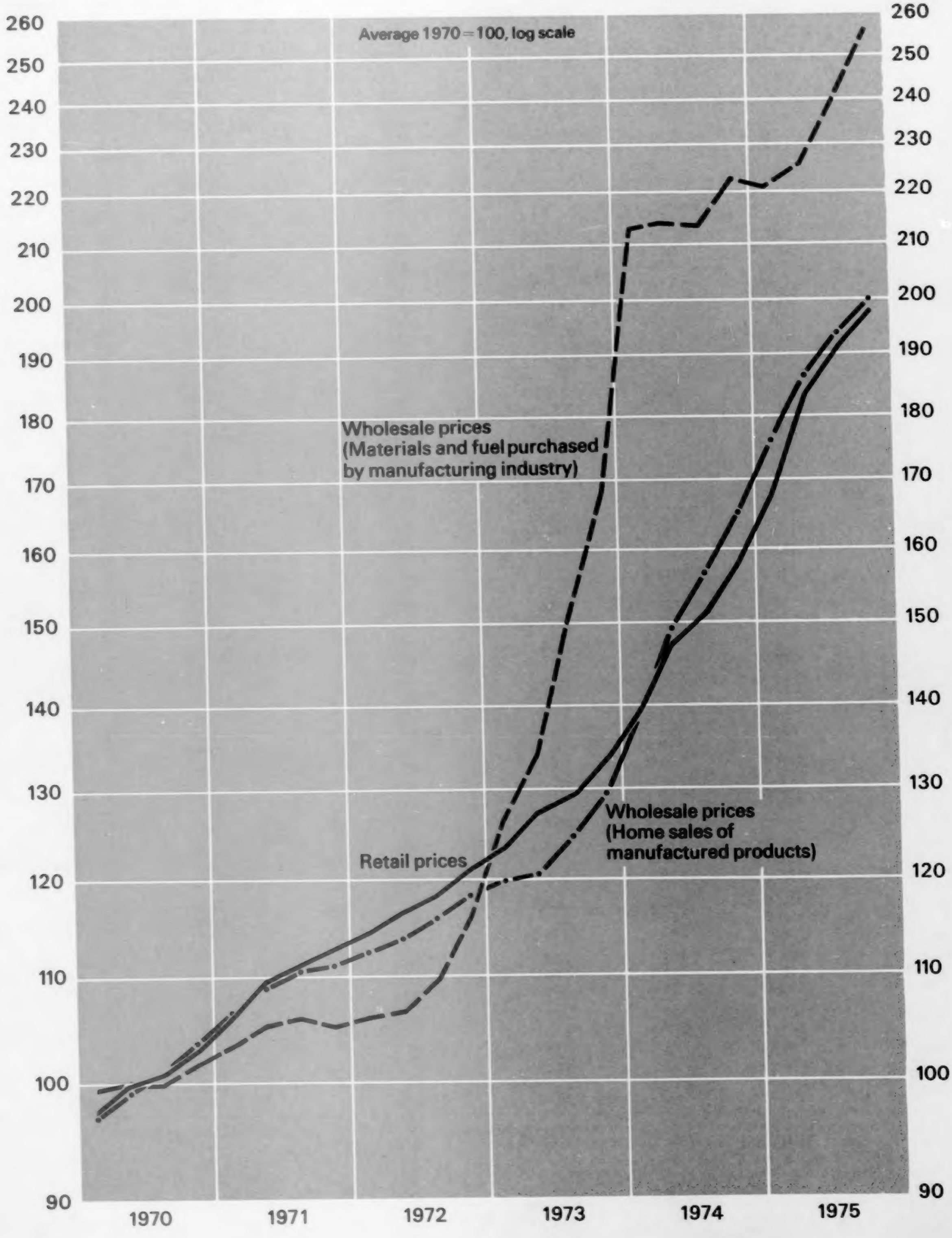
[1] All items except housing. [2] Revised method of calculation to include levies on certain imported foods from 3rd quarter 1971.

[3] Reductions in the VAT-exclusive prices of alcoholic liquor, tobacco and cigarettes, matches and mechanical lighters took place in April 1973. These reductions resulted from lower revenue duties designed to offset additional tax revenue from VAT. With unchanged prices in April for these products index numbers from 2nd quarter 1973 onwards would have been higher by 1·7.

[4] Movements in the purchasing power of the pound are based on movements in the general index of retail prices. [5] Provisional.


Average 1970 = 100, log scale
Wholesale prices
(Materials and fuel purchased
by manufacturing industry)
Wholesale prices
(Home sales of
manufactured products)
Retail prices
260
250
240
230
220
210
200
190
180
170
160
150
140
130
120
110
100
90
1970
1971
1972
1973
1974
1975

Visible trade

	Seasonally adjusted		Unadjusted					
	1970=100		1970=100				1963=100	19 December 1971[1]=100
	Volume indices[2]		Unit value indices[2]			Trade competitiveness index[4]	World commodity prices index[5]	Sterling effective exchange rate
	Exports	Imports	Exports	Imports	Terms of trade[3]			
1965	76·9	77·6	79·3	81·3	97·6	. .	. .	. .
1966	79·9	79·2	82·2	82·6	99·6	107·3	108	. .
1967	78·9	85·6	83·4	82·8	100·8	106·9	104	. .
1968	88·5	94·2	90·0	92·7	97·1	99·1	122	. .
1969	96·7	94·5	93·0	95·6	97·3	98·8[6]	128	99·95
1970	100·0	100·0	100·0	100·0	100·0	100·0[6]	132	98·95
1971	106·7	104·2	105·6	104·7	100·8	103·3	135	98·77
1972	106·6	116·3	111·1	109·7	101·3	103·5	148	94·99
1973	121·8	134·0	126·0	139·7	90·2	95·1	218	85·42
1974	130·1	135·4	162·7	217·3	74·9	94·2	351	82·16
1975	126·8	126·4	197·7	246·7	80·1		306[7]	74·32
1970 *1*	100·4	95·5	98·9	100·1	98·8	100·2	131	99·72
2	99·4	101·6	100·0	101·0	99·1	100·1	133	99·34
3	94·6	98·4	101·9	100·7	101·2	101·3	133	98·37
4	105·6	104·5	102·3	100·5	101·8	101·8	132	98·35
1971 *1*	99·5	103·9	104·1	102·3	101·8	102·5	133	99·22
2	110·4	105·1	105·3	105·7	99·7	102·1	138	99·03
3	110·3	102·2	107·3	106·5	100·7	103·3	137	98·32
4	106·4	105·5	109·0	105·8	103·0	104·8	134	98·51
1972 *1*	104·5	112·2	110·2	107·2	102·8	107·0	137	99·31
2	108·7	113·6	110·7	107·7	102·8	106·4	140	98·20
3	94·5	110·6	114·0	111·5	102·2	102·2	154	92·65
4	118·6	128·8	115·1	116·6	98·7	98·3	160	89·79
1973 *1*	117·2	128·9	119·3	123·4	96·7	97·7	182	88·95
2	120·2	129·2	123·8	133·1	93·0	98·5	196	88·41
3	124·6	135·6	129·1	146·7	88·0	92·4	228	82·75
4	125·4	142·4	136·1	162·0	84·0	91·8	265	81·57
1974 *1*	126·7	134·7	147·2	194·5	75·7	93·0	356	82·55
2	132·5	137·1	159·9	218·4	73·2	94·5	346	83·01
3	134·3	135·4	168·1	224·2	75·0	94·7	348	82·62
4	126·6	134·4	175·8	231·3	76·0	94·6	357	80·44
1975 *1*	130·9	126·8	184·9	239·7	77·1		336	78·44
2	123·9	122·2	193·4	240·6	80·4		340	75·86
3	121·9	127·9	202·4	246·7	82·0		365[7]	72·49
4	130·4	128·8	209·9	259·8	80·8		390[7]	70·50
1974 *J*	132·8	138·4	164·8	223·1	73·9	. .	344	83·04
A	133·9	129·9	168·6	225·0	74·9	. .	348	82·60
S	136·3	138·0	170·9	224·5	76·1	. .	345	82·22
O	128·3	134·4	172·4	228·1	75·6	. .	352	81·84
N	122·4	139·1	175·8	230·4	76·3	. .	356	80·44
D	129·0	129·7	179·0	235·5	76·0	. .	356	79·04
1975 *J*	132·4	133·1	182·2	238·1	76·5	. .	350	78·47
F	128·6	128·5	185·1	239·0	77·4	. .	345	78·32
M	131·7	118·8	187·4	241·8	77·5	. .	342	78·54
A	115·6	124·2	191·0	240·9	79·3	. .	340	78·05
M	134·7	119·8	193·3	240·5	80·4	. .	338	76·31
J	121·5	122·4	196·0	240·3	81·6	. .	340	73·22
J	124·1	132·7	199·8	243·8	82·0	. .	351	72·44
A	117·3	125·0	202·5	247·2	81·9	. .	373	73·14
S	124·2	125·9	204·9	249·1	82·3	. .	371	71·90
O	132·6	130·9	207·2	254·4	81·5	. .	386[7]	71·14
N	124·9	130·0	210·5	259·3	81·2	. .	388[7]	70·44
D	133·7	125·6	211·9	265·8	79·7		396[7]	69·92

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[1] Date of the Smithsonian Agreement. Monthly figures are trade-weighted averages of end-month rates. A methodological article on the 'effective' exchange rate was published in the June 1974 issue of *Economic Trends*.

[2] On a balance of payments basis.

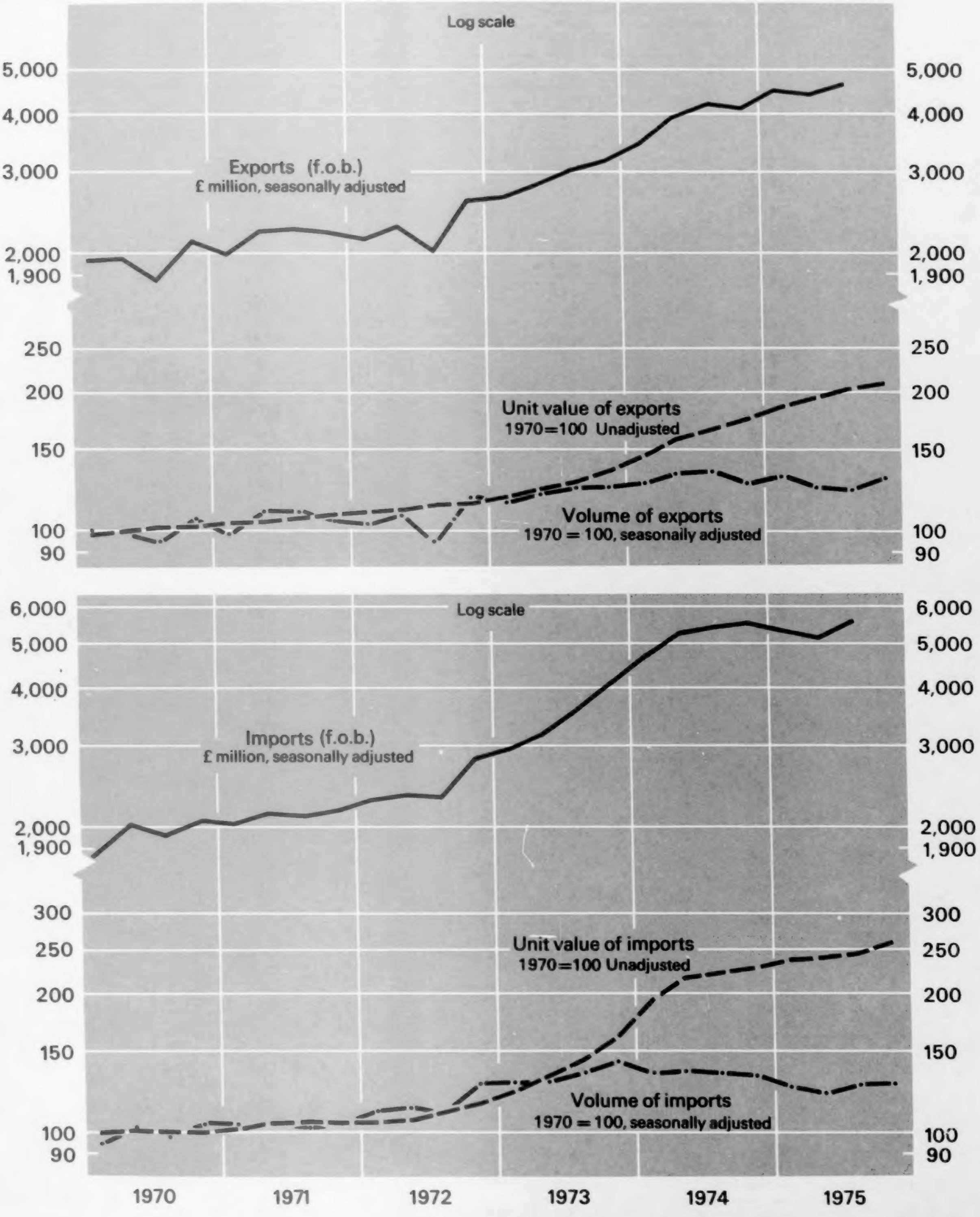
[3] Unit value index for exports expressed as a percentage of unit value index for imports.

[4] The ratio of UK to weighted average export (dollar) prices for major competitors in respect of manufactured goods.

[5] Weighted average, in sterling terms, of United Nations index numbers for primary commodities and non-ferrous metals.

[6] Differences in quarterly and annual averages for 1969 and 1970 are due to the effects of adjusting the UK series for export over-valuation.

[7] Projections by the Department of Industry.


Log scale
5,000
4,000
3,000
2,000
1,900
Exports (f.o.b.)
£ million, seasonally adjusted
250
200
150
100
90
Unit value of exports
1970=100 Unadjusted
Volume of exports
1970 = 100, seasonally adjusted
Log scale
6,000
5,000
4,000
3,000
2,000
1,900
Imports (f.o.b.)
£ million, seasonally adjusted
300
250
200
150
100
90
Unit value of imports
1970=100 Unadjusted
Volume of imports
1970 = 100, seasonally adjusted
1970
1971
1972
1973
1974
1975

Balance of payments: current account

Seasonally adjusted

£ million

				Visible balance			Invisibles			
		Exports (f.o.b.)§	Imports (f.o.b.)§	Total	Petrol and petroleum products	Other goods	Credits	Debits	Balance	Current balance
1964		4,521	5,021	− 500	..	..	2,646	2,501	+ 145	− 355
1965		4,848	5,071	− 223	..	..	2,871	2,675	+ 196	− 27
1966		5,203	5,269	− 66	..	..	2,955	2,789	+ 166	+ 100
1967		5,139	5,693	− 554	..	..	3,244	2,991	+ 253	− 301
1968		6,282	6,949	− 667	..	..	3,809	3,417	+ 392	− 275
1969		7,074	7,221	− 147	..	..	4,315	3,706	+ 609	+ 462
1970		7,907	7,919	− 12	− 484	+ 472	5,006	4,259	+ 747	+ 735
1971		8,810	8,528	+ 282	− 650	+ 932	5,529	4,763	+ 766	+1,048
1972		9,140	9,830	− 690	− 658	− 32	6,092	5,274	+ 818	+ 128
1973		11,771	14,066	−2,295	− 941	−1,354	8,303	6,843	+1,460	− 835
1974		15,886	21,120	−5,234	−3,423	−1,811	9,975	8,409	+1,566	−3,668
1970	*1*	1,936	1,877	+ 59	− 111	+ 170	1,187	980	+ 207	+ 266
	2	1,961	2,010	− 49	− 119	+ 70	1,228	1,038	+ 190	+ 141
	3	1,877	1,954	− 77	− 125	+ 48	1,260	1,087	+ 173	+ 96
	4	2,133	2,078	+ 55	− 129	+ 184	1,331	1,154	+ 177	+ 232
1971	*1*	2,010	2,067	− 57	− 165	+ 108	1,355	1,157	+ 198	+ 141
	2	2,265	2,160	+ 105	− 165	+ 270	1,375	1,202	+ 173	+ 278
	3	2,293	2,113	+ 180	− 157	+ 337	1,394	1,182	+ 212	+ 392
	4	2,242	2,188	+ 54	− 163	+ 217	1,405	1,222	+ 183	+ 237
1972	*1*	2,178	2,311	− 133	− 167	+ 34	1,483	1,260	+ 223	+ 90
	2	2,289	2,353	− 64	− 151	+ 87	1,481	1,279	+ 202	+ 138
	3	2,060	2,340	− 280	− 162	− 118	1,528	1,337	+ 191	− 89
	4	2,613	2,826	− 213	− 177	− 36	1,600	1,398	+ 202	− 11
1973	*1*	2,669	2,998	− 329	− 181	− 148	1,771	1,567	+ 204	− 125
	2	2,831	3,219	− 388	− 220	− 168	2,009	1,684	+ 325	− 63
	3	3,072	3,655	− 583	− 239	− 344	2,105	1,739	+ 366	− 217
	4	3,199	4,194	− 995	− 301	− 694	2,418	1,853	+ 565	− 430
1974	*1*	3,490	4,762	−1,272	− 736	− 536	2,444	2,017	+ 427	− 845
	2	3,996	5,332	−1,336	− 888	− 448	2,456	2,068	+ 388	− 948
	3	4,231	5,430	−1,199	− 880	− 319	2,452	2,076	+ 376	− 823
	4	4,169	5,596	−1,427	− 919	− 508	2,623	2,248	+ 375	−1,052
1975	*1*	4,532	5,399	− 867	− 782	− 85	2,713	2,278	+ 435	− 432
	2	4,461	5,145	− 684	− 694	+ 10	2,744	2,403	+ 341	− 343
	3	4,639	5,611	− 972	− 788	− 184	2,781	2,393	+ 388	− 584
	4									
1974	*A*	1,296	1,719	− 422	− 298	− 124	..	..	+ 388	..
	M	1,315	1,790	− 475	− 291	− 184	..	..		..
	J	1,385	1,823	− 438	− 299	− 139	..	..		..
	J	1,357	1,807	− 450	− 316	− 134	..	..	+ 376	..
	A	1,413	1,771	− 359	− 262	− 97	..	..		..
	S	1,461	1,852	− 390	− 302	− 88	..	..		..
	O	1,381	1,843	− 461	− 321	− 140	..	..	+ 375	..
	N	1,338	1,920	− 582	− 308	− 274	..	..		..
	D	1,450	1,834	− 384	− 290	− 94	..	..		..
1975	*J*	1,509	1,927	− 418	− 331	− 87	..	..	+ 435	..
	F	1,479	1,817	− 338	− 250	− 88	..	..		..
	M[1]	1,544	1,655	− 111	− 201	+ 90	..	..		..
	A[1]	1,365	1,726	− 361	− 224	− 137	..	..	+ 341	..
	M[1]	1,612	1,690	− 78	− 231	+ 153	..	..		..
	J	1,484	1,729	− 245	− 238	− 7	..	..		..
	J	1,563	1,928	− 365	− 253	− 112	..	..	+ 388	..
	A	1,491	1,876	− 385	− 278	− 107	..	..		..
	S	1,585	1,807	− 222	− 257	+ 35	..	..		..
	O	1,739†	1,961†	− 222†	− 283†	+ 61†	..	..	+ 120[2]	− 102†
	N	1,637	1,924	− 287	− 275	− 12	..	..	+ 120[2]	− 167
	D	1,767	1,966	− 199	− 320	+ 121	..	..	+ 120[2]	− 79

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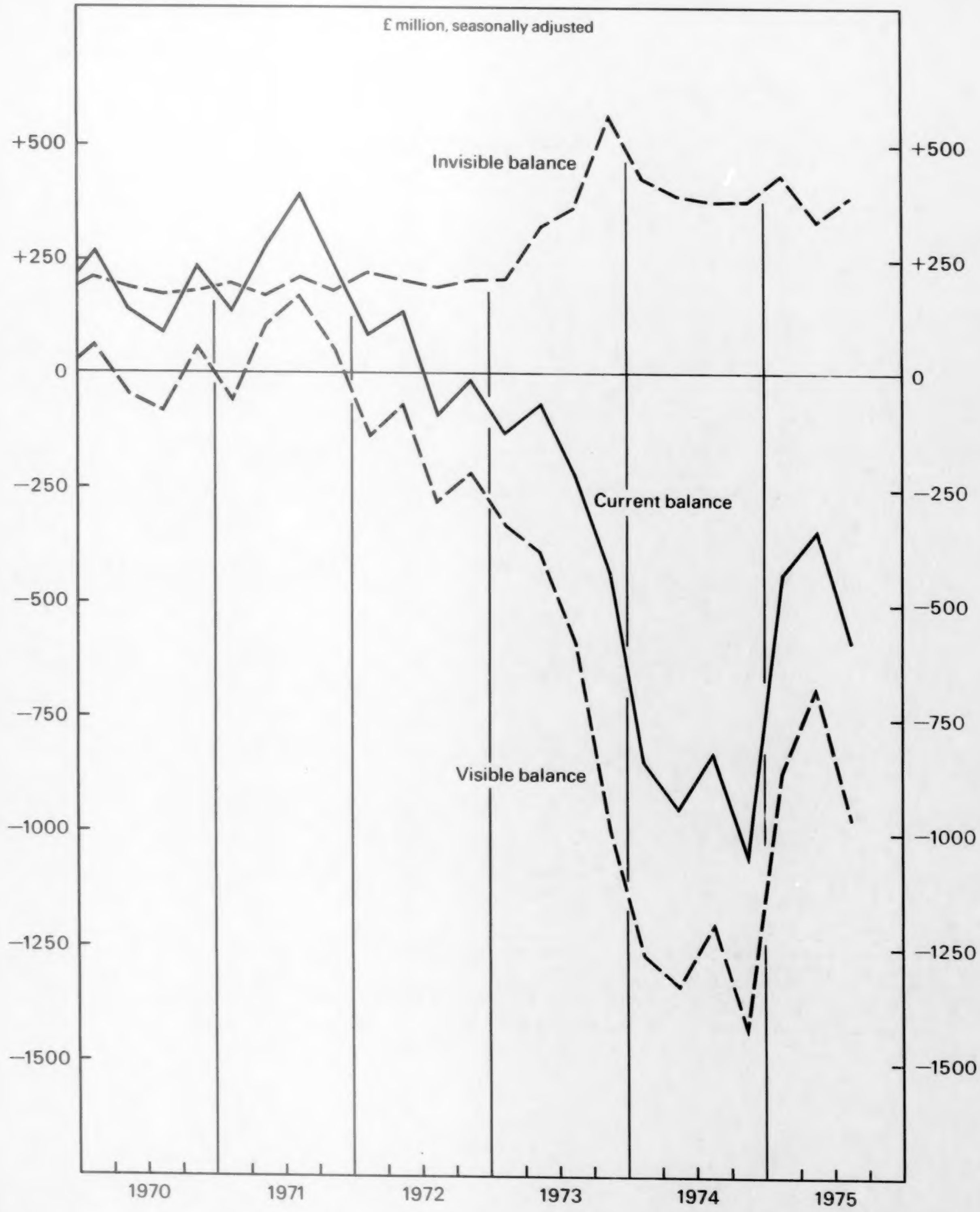
[1] The figures for visible trade were distorted by the industrial dispute at the Port of London.

[2] These figures are projections and are subject to revision as the relevant statistical information becomes available.


£ million, seasonally adjusted
Invisible balance
Current balance
Visible balance
+500
+250
0
−250
−500
−750
−1000
−1250
−1500
1970
1971
1972
1973
1974
1975

Analysis of total currency flow and official financing[1]

£ million

	Currency flow										Official financing	
		Investment and other capital flows										
	Current balance	Official long-term capital	Overseas investment in UK public sector	Private sector investment (net)	Overseas currency borrowing or lending (net) by UK banks	Change in external sterling liabilities	Trade credit[2] and other short-term flows	Balancing item and other currency flows[3]	Total currency flow	Allocation of SDR and gold subscription to IMF	Drawings on(+)/ additions to (−) official reserves[4]	Other transactions (net)[5]
1964	−355	−116	+15	−256	+161	+21	−126	−39	−695	—	+122	+573
1965	−27	−85	−12	−130	−22	−98	+21	—	−353	—	−246	+599
1966	+100	−81	+35	−39	−192	−101	−200	−69	−547	−44	−34	+625
1967	−301	−59	+54	−96	+36	−284	−146	+125	−671	—	+115	+556
1968	−275	+17	+16	−160	−15	−308	−305	−380	−1,410	—	+114	+1,296
1969	+462	−99	—	−6	−38	+261	−227	+390	+743	—	−44	−699
1970	+735	−204	−10	+51	+472	+459	−196	−20	+1,287	+133	−125	−1,295
1971	+1,048	−273	+179	+219	+481	+1,422	−133	+285	+3,228	+125	−1,536	−1,817
1972	+128	−255	+113	−656	+471	+196	−580	−682	−1,265	+124	+692	+449
1973	−835	−252	+345	−267	+1,359	+154	−430	+136	+210	—	−210	—
1974	−3,668	−275	+764	+1,037	+295	+1,558	−601	+325	−565	—	−79	+644
1969 *3*	+151	+29	−31	+38	−7	−61	−27	−139	−47	—	+4	+43
4	+172	−89	+19	−33	−24	+148	−74	+317	+436	—	−39	−397
1970 *1*	+247	−49	+3	+37	+125	+283	+66	+203	+915	+171	−76	−1,010
2	+172	−37	−3	+124	+123	+157	−136	−173	+227	—	−34	−193
3	+81	−20	−23	−84	−24	+3	−13	−122	−202	—	+52	+150
4	+235	−98	+13	−26	+248	+16	−113	+72	+347	−38	−67	−242
1971 *1*	+58	−45	+121	+132	+84	+285	+86	+252	+973	+125	−204	−894
2	+345	−44	+28	+44	+158	+277	−119	−55	+634	—	−126	−508
3	+375	−35	+5	+55	+28	+337	+104	−201	+668	—	−576	−92
4	+270	−149	+25	−12	+211	+523	−204	+289	+953	—	−630	−323
1972 *1*	−12	−43	+64	−193	+114	+211	−163	+79	+57	+124	−191	+10
2	+210	−39	+20	−200	−132	−138	−349	−417	−1,045	—	+46	+999
3	−130	−17	+22	−83	+199	−92	−54	+76	−79	—	+639	−560
4	+60	−156	+7	−180	+290	+215	−14	−420	−198	—	+198	—
1973 *1*	−339	−55	+51	−14	+37	+170	−113	+332	+69	—	−69	—
2	−6	−30	+68	+10	+396	+166	−41	−186	+377	—	−377	—
3	−182	−26	+37	−63	+383	−415	−183	+191	−258	—	+258	—
4	−308	−141	+189	−200	+543	+233	−93	−201	+22	—	−22	—
1974 *1*	−983	−53	+61	+553	+215	+179	−174	+163	−39	—	+39	—
2	−903	−42	+280	+282	+319	+386	−15	−196	+111	—	−111	—
3	−880	−15	+166	+365	−293	+616	−185	+409	+183	—	−183	—
4	−902	−165	+257	−163	+54	+377	−227	−51	−820	—	+176	+644
1975 *1*	−658	−62	+118	−269	−105	+247	−86	+528	−287	—	−136	+423
2	−337	−39	+178	−669	+819	+19	−233	−157	−419	—	+419	—
3	−568	−9	−13	+216	+10	−379	+129	+447	−167	—	+167	—
4												

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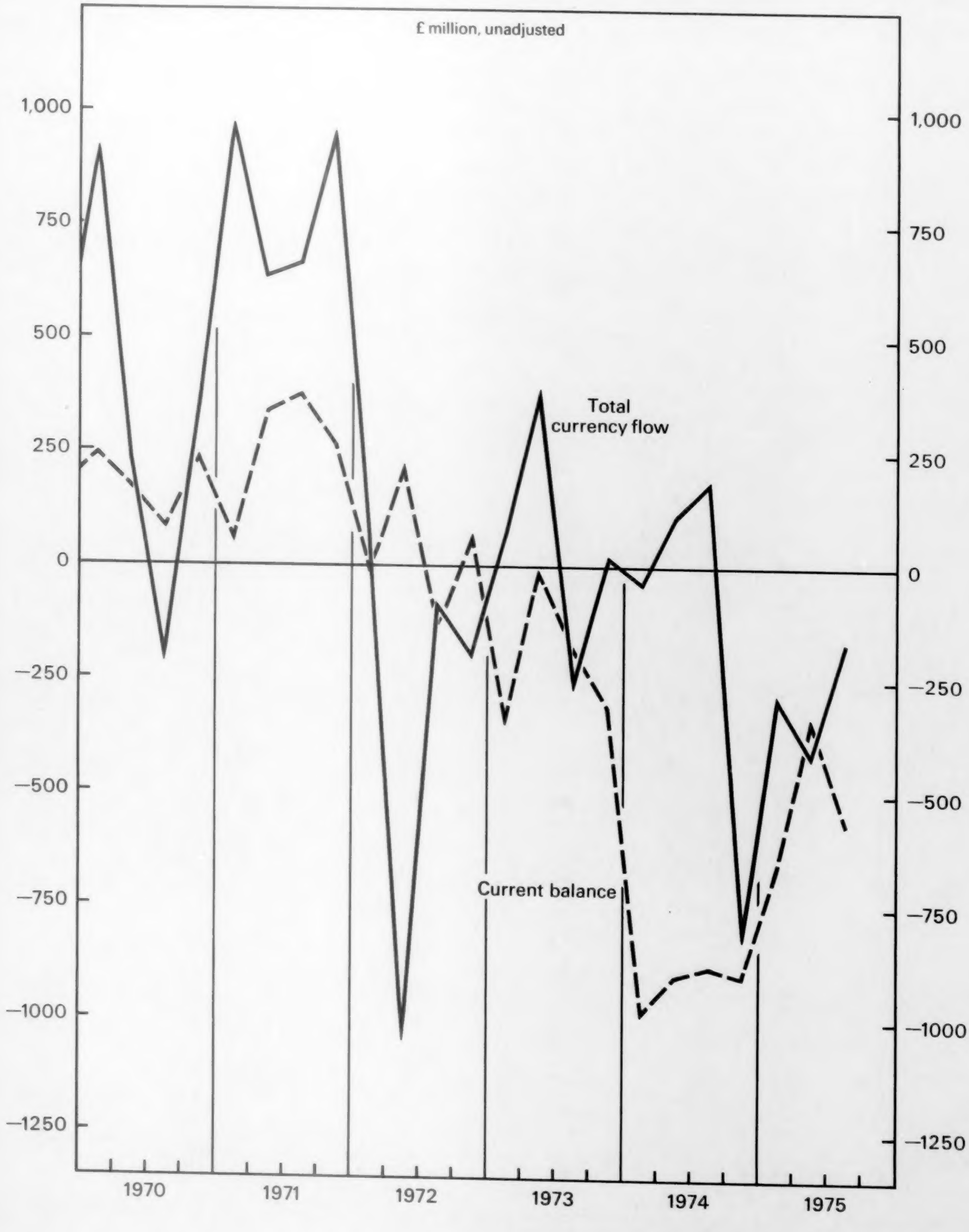
[1] More comprehensive analyses are given in the appendix tables to the balance of payments articles in the March, June, September and December issues.

[2] Excluding trade credit between 'related' firms; after deducting advance and progress payments to suppliers.

[3] Capital transfers and EEA loss on forward commitments.

[4] From 23 August 1971, valued in sterling at transactions rates of exchange. From July 1972, includes transactions affecting the United Kingdom reserve position in the IMF.

[5] Includes net transactions with overseas monetary authorities and other foreign currency borrowing by HM Government.


£ million, unadjusted
1,000
750
500
250
0
−250
−500
−750
−1000
−1250
Total currency flow
Current balance
1970
1971
1972
1973
1974
1975

Money stock

£ million

	M₁				M₃				Notes and coin in circulation with public	Total deposits of domestic sectors	Velocity of circulation[1]	
	Unadjusted	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change (annual rate)*	Unadjusted	Seasonally adjusted §	Changes (seasonally adjusted)	*Percentage change (annual rate)*	Unadjusted	Unadjusted	M_1	M_3
Amounts outstanding at end												
1969 *3*	8,312	8,310	− 16	*− 0·8*	15,934	15,990	133	*3·4*	2,857	13,077	5·651	2·953
4	8,812	8,610	295	*15·0*	16,596	16,250	271	*7·0*	3,006	13,590	5·724	3·004
1970 *1*	8,507	8,640	41	*1·9*	16,161	16,320	93	*2·3*	3,040	13,121	5·660	2·998
2	8,852	8,930	295	*14·4*	16,893	16,970	657	*17·1*	3,081	13,812	5·788	3·055
3	9,032	9,040	108	*4·9*	17,281	17,350	378	*9·2*	3,154	14,127	5·771	3·021
4	9,635	9,430	386	*18·2*	18,175	17,800	458	*11·0*	3,320	14,855	5·832	3·065
1971 *1*	9,691	9,820	391	*17·6*	18,192	18,330	521†	*12·2*	3,324	14,868	5·596	2·981
2	9,831	9,890	68	*2·8*	18,662	18,740	421	*9·5*	3,373	15,289	5·719	3·041
3	10,210	10,230	341	*14·5*	19,112	19,180	447	*9·9*	3,454	15,658	5·828	3·092
4[2]	11,088	10,740	103	*4·1*	20,541	20,010	826	*18·4*	3,589	16,952	5·706	3·053†
1972 *1*[3]	11,168	11,140	398	*15·7*	21,001	20,950	941	*20·2*	3,755	17,246	5·514	2·934
	11,225	11,190			21,411	21,360			3,755	17,656		
2	11,729	11,590	400	*15·1*	23,105	23,010	1,658	*34·9*	3,860	19,245	5·514	2·841
3	11,930	11,790	209	*7·4*	24,060	23,990	991	*18·4*	3,905	20,155	5·450	2·711
4	12,657	12,290	497	*18·0*	26,245	25,670	1,696	*31·4*	4,079	22,166	5·534	2·683
1973 *1*[3]	12,333	12,300	14	*0·5*	27,138	27,130	1,477	*25·1*	4,170	22,968	5·826†	2·713
	12,333	12,300			27,146	27,140			4,170	22,976		
2	13,175	12,970	683	*24·1*	28,674	28,560	1,433	*22·9*	4,349	24,325	5·625	2·552
3	12,882	12,540	−432	*−12·7*	31,008	30,790	2,224	*35·0*	4,301	26,707	5·770	2·480
4	13,303	13,090	554	*18·9*	33,478	33,050	2,262	*32·8*	4,377	29,101	5·869	2·356
1974 *1*	12,772	12,690	−396	*−11·6*	33,938	33,940	916	*11·6*	4,574	29,364	5·787	2·227
2	13,175	12,960	267	*8·7*	34,880	34,770	833	*10·2*	4,767	30,113	6·212	2·319
3	13,513	13,530	569	*18·8*	35,758	35,960	1,186	*14·4*	4,772	30,986	6·527	2·445
4	14,739	14,530	998	*32·9*	37,698	37,260	1,286	*15·1*	5,085	32,613	6·330	2·426
1975 *1*	14,735	14,840	291	*8·3*	37,422	37,600	327	*3·6*	5,448	31,974	6·426	2·521
2	15,175	15,130	292	*8·1*	38,191	38,250	647	*7·1*	5,369	32,822	6·632	2·653
	15,904†	15,860			38,179	38,240			5,373	32,806		
3	16,786	16,820	966	*26·7*	39,639	39,860	1,622	*18·1*	5,484	34,155	6·581	2·723
4												
Amounts outstanding at mid-month												
1974 *J*	12,772	12,680	281	..	34,827	34,710	934	..	4,657	30,170	..	..
A	12,781	12,770	87	..	35,094	35,260	548	..	4,721	30,373	..	..
S	12,798	12,820	53	..	35,102	35,200	− 65	..	4,739	30,363	..	..
O	13,142	13,080	260	..	35,341	35,350	144[4]	..	4,767	30,574	..	..
N	13,302	13,060	− 15	..	35,868	35,710	349	..	4,899	30,969	..	..
D	13,693	13,260	203	..	36,249	35,710	− 16	..	5,047	31,202	..	..
1975 *J*	13,714	13,710	451	..	36,324	36,140	408	..	4,896	31,428	..	..
F	13,448	13,670	− 42	..	36,215	36,510	358	..	4,908	31,247	..	..
M	13,738	13,940	267	..	36,502	36,850	336	..	5,064	31,438	..	..
A	14,265	14,250	314	..	36,671	36,920	69†	..	5,123	31,548	..	..
M[4]	14,280	14,360	103	..	36,994	37,480	551	..	5,255	31,739	..	..
	15,013	15,090			36,983	37,470			5,259	31,724		
J	15,256	15,110	24	..	37,161	37,360	−106	..	5,270	31,891	..	..
J	15,623	15,500	386	..	37,824	37,630	273	..	5,465	32,359	..	..
A	15,798	15,710	212	..	38,259	38,370†	732	..	5,494	32,765	..	..
S	15,992	16,050	333	..	38,479†	38,640	273	..	5,460	33,019	..	..
O	16,162	16,140	91	..	38,908	39,010	367	..	5,474	33,434†	..	..
N	16,090	15,860	−289	..	38,860	38,730	−274	..	5,522	33,338	..	..
D	16,501	15,930	72	..	39,193	38,560	−177	..	5,674	33,519	..	..

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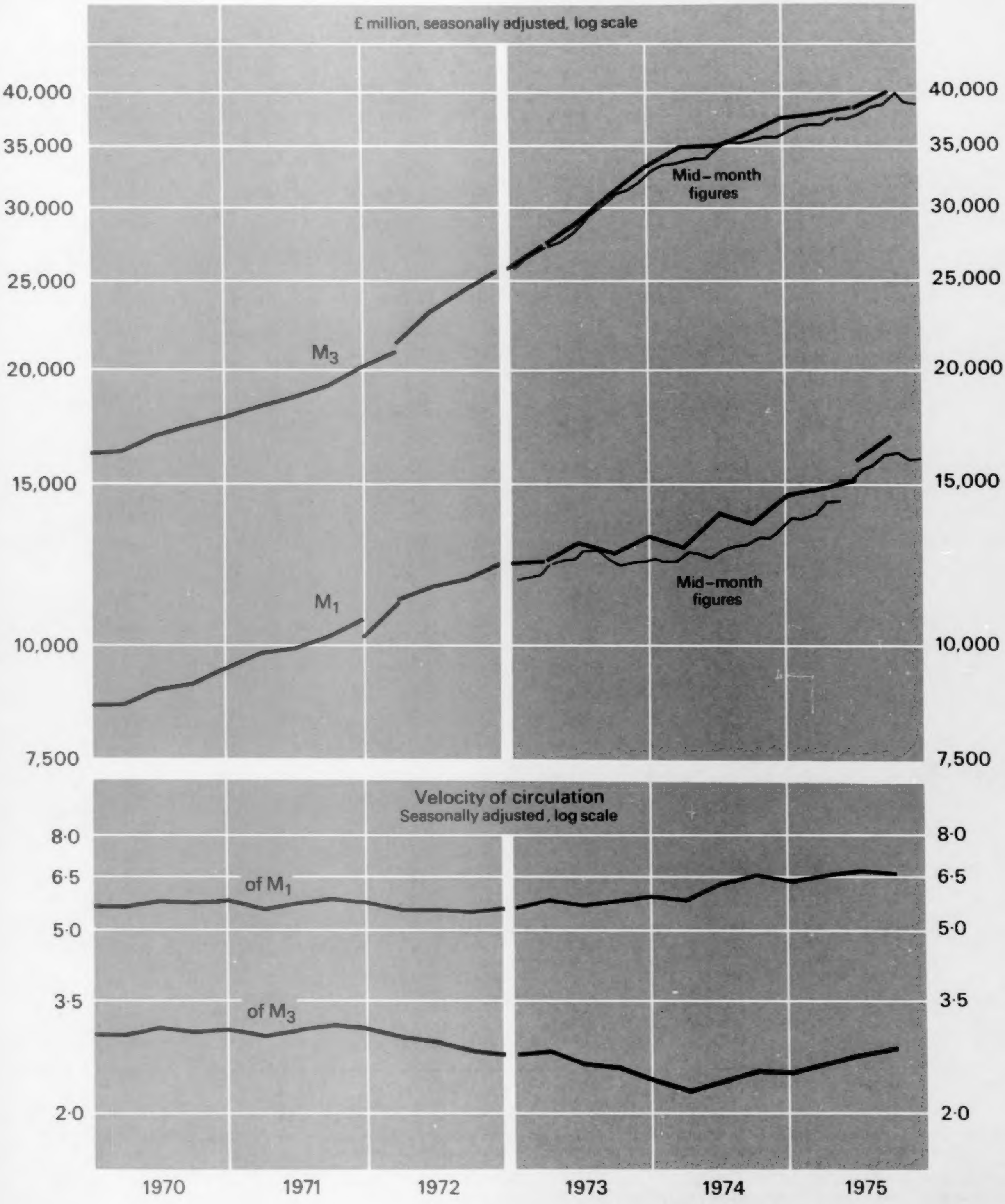
[1] Ratio of GNP at current market prices seasonally adjusted expressed at an annual rate to the centred quarterly average of M_1/M_3 seasonally adjusted.

[2] The break in the series for M_1 between September and December 1971 reflects additional statistical information and is explained in notes to Table 12 in the *Bank of England Quarterly Bulletin.*

[3] The breaks in the series at end-March 1972 and end-March 1973 show, in each case, the effects of changes in contributors which are described in *Financial Statistics.* [4] At mid-May 1975 new statistical returns were introduced. The first line of figures for mid-May and mid-June 1975, includes a number of estimates to provide reasonable consistency with earlier dates.


£ million, seasonally adjusted, log scale
40,000
35,000
30,000
25,000
20,000
15,000
10,000
7,500
M3
M1
Mid-month figures
Mid-month figures
Velocity of circulation
Seasonally adjusted, log scale
8·0
6·5
5·0
3·5
2·0
of M1
of M3
1970
1971
1972
1973
1974
1975

52

Money stock and public sector borrowing requirement

£ million

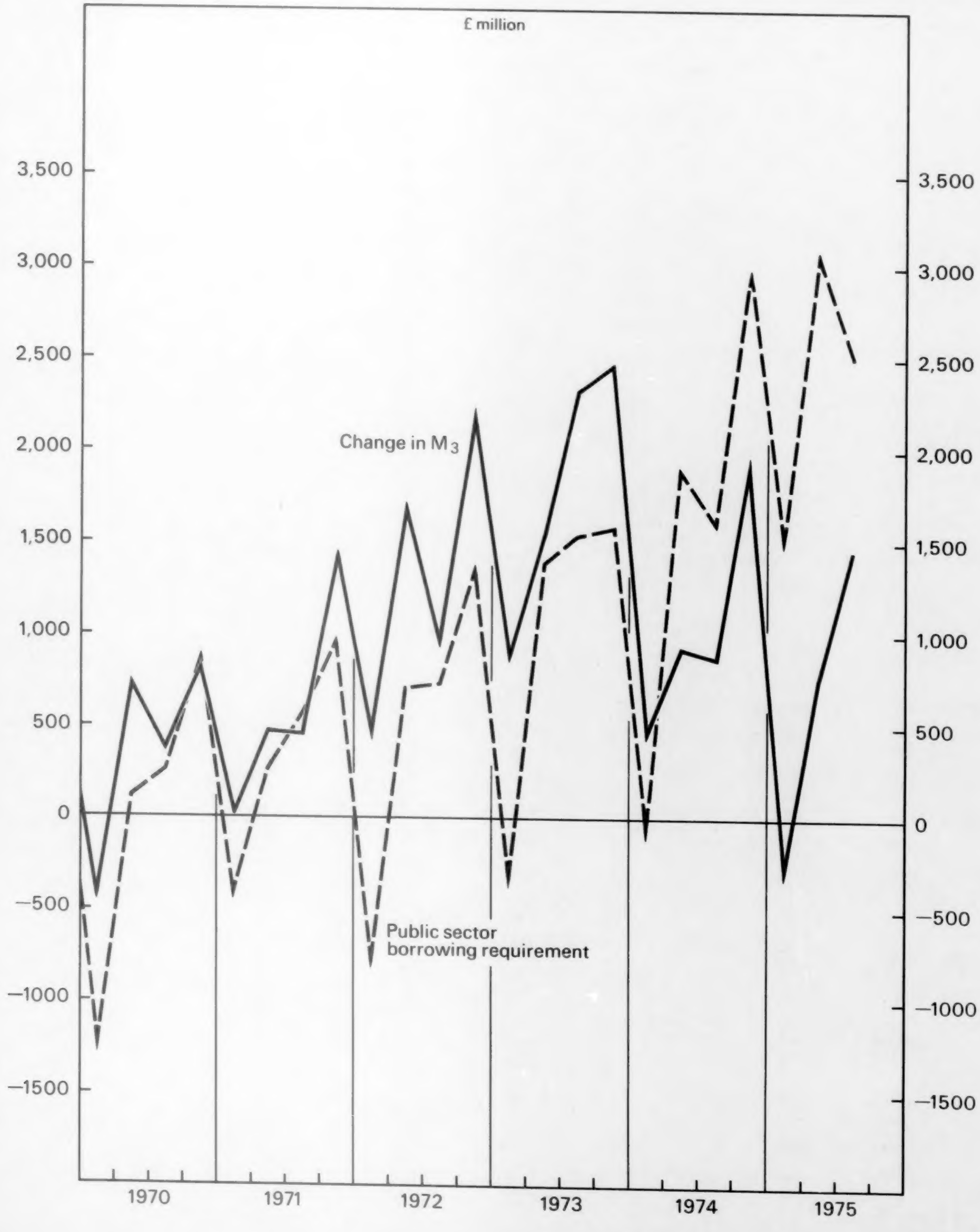
	Change in money stock M_3	Public sector borrowing requirement	Net acquisition of public sector debt			Changes in financial assets and liabilities of the banking sector					
			By overseas sector	By UK residents other than banks		Lending to		Deposits by (*less* lending to) non-residents	Non-deposit liabilities[1]	Net deposits of UK residents	
				Currency	Other	Public sector	Private sector			Transactions[2]	Valuation changes[3]
	1	2	3	4	5	6	7	8	9	10	11
1964	653	989	656	209	504	− 380	999	88	87	444	
1965	938	1,205	96	195	486	428	508	66	127	743	
1966	479	961	413	66	262	220	52	− 257	116	413	
1967	1,345	1,862	502	125	665	570	634	− 41	25	1,220	
1968	1,152	1,279	1,111	52	− 13	129	725	− 236	− 10	1,100	
1969	503	− 466	− 594	146	355	− 373	597	− 141	8	357	
1970	1,586	− 18	−1,353	321	101	913	1,315	753	210	1,265	
1971	2,366	1,371	−2,670	273	2,102	1,666	1,856	1,061	368	2,093	
1972	5,299	2,054	1,564	495	1,021	−1,026	6,434	− 48	652	4,804	
1973	7,232	4,218	− 108	305	2,026	1,995	6,828	1,411	485	6,927	
1974	4,221	6,362	1,490	709	3,462	701	4,671	1,178	682	3,512	
Financial years											
1964/65	653	880	743	102	400	− 365	1,053	51	86	551	
1965/66	1,087	995	− 76	241	251	579	449	122	60	846	
1966/67	429	1,214	25	125	654	410	− 27	− 59	138	304	
1967/68	1,258	1,980	1,447	106	426	1	698	− 432	− 21	1,152	
1968/69	1,077	453	419	69	− 173	138	796	− 164	90	1,008	
1969/70	374	− 526	−1,241	129	802	− 216	718	162	95	245	
1970/71	2,031	802	−1,193	288	529	1,178	1,267	618	84	1,743	
1971/72	2,811	1,016	−1,879	433	1,696	766	3,142	1,091	439	2,378	
1972/73	5,733	2,516	1,426	421	902	− 233	6,288	− 59	802	5,312	
1973/74	6,799	4,458	125	411	2,540	1,382	6,672	1,320	346	6,388	
1974/75	3,484	7,926	1,509†	874	4,310†	1,233	3,264	1,261	626	2,610	
1970 *1*	− 430	−1,239	− 855	39	208	− 631	554	282	110	− 469	
2	733	114	− 133	42	− 63	268	563	160	− 20	691	
3	387	251	80	72	− 227	326	1	32	− 20	315	
4	896	856	− 445	168	183	950	197	279	140	728	
1971 *1*	15	− 419	− 695	6	636	− 366	506	147	− 16	9	
2	471	256	− 410	50	261	355	287	109	112	421	
3	452	567	− 655	83	614	525	364	267	253	369	
4	1,428	967	− 910	134	591	1,152	699	538	19	1,294	
1972 *1*	460	− 774	96	166	230	−1,266	1,792	177	55	294	
2	1,698	718	940	109	243	− 574	1,939	− 304	80	1,589	
3	955	743	230	45	223	245	820	− 25	180	910	
4	2,186	1,367	298	175	325	569	1,883	104	337	2,011	
1973 *1*	894	− 312	− 42	92	111	− 473	1,646	166	205	802	
2	1,532	1,396	− 321	183	958	576	1,217	453	− 9	1,349	
3	2,334	1,547	125	− 48	580	890	1,691	191	8	2,382	
4	2,472	1,587	130	78	377	1,002	2,274	601	281	2,394	
1974 *1*	461	− 72	191	198	625	−1,086	1,490	75	66	263	
2	942	1,874	174	193	1,717	− 210	1,820	484	377	749	
3	878	1,603	337	5	997	264	851	59	233	873	
4	1,940	2,957	788	313	123	1,733	510	610	6	1,627	
1975 *1*	− 276	1,492	210†	363	1,473†	− 554	83	158	10	− 639	
2[3]	769	3,087†	612	− 79	982	1,572	499	1,108	318	645	203
3	1,460	2,501	− 359	111	1,092	1,657	− 491	− 28	− 9	1,203	146
4											

Relationship between columns 1=4+10+11
2−3−4−5=6
6+7−8−9=10.

[1] Comprising the banking sector's total identified financial assets *less* accruals adjustment and purchases of bank securities *plus* capital issues.

[2] The figures of both sterling and non-sterling current and deposit accounts after deducting items in transit, etc. and all inter-bank deposits.

[3] From the second quarter of 1975 all figures which include foreign currency items apart from the changes in M_3 have been adjusted to exclude the effects of movement in exchange rates. The direct effect of exchange rate changes on the sterling value of M_3 is shown in column 11 (for additional information see *Financial Statistics* supplement to notes and definitions page 137).


£ million
3,500
3,000
2,500
2,000
1,500
1,000
500
0
−500
−1000
−1500
Change in M_3
Public sector borrowing requirement
1970
1971
1972
1973
1974
1975

Public expenditure

£ million

		Goods and services		Transfer payments and loans				
	Total public expenditure	Consumption	Investment[1]	Subsidies	Current grants	Capital transfers	Debt interest	Net lending to private sector and overseas
1971	24,370	10,353	4,628	936	4,989	860	2,213	391
1972	27,407	11,776	4,759	1,175	6,051	727	2,438	481
1973	32.153	13,340	5,768	1,526	6,763	857	2,946	953
1974	41,606	16,641	7,317	2,944	8,171	940	3,732	1,861
1972 *1*	6,830	2,876	1,204	345	1,464	206	685	50
2	6,587	2,830	1,137	270	1,484	172	513	181
3	6,790	2,961	1,187	290	1,442	169	647	94
4	7,200	3,109	1,231	270	1,661	180	593	156
1973 *1*	8,060	3,243	1,482	301	1,687	245	777	325
2	7,449	3,207	1,292	361	1,669	204	554	162
3	8,208	3,377	1,481	387	1,591	216	881	275
4	8,436	3,513	1,513	477	1,816	192	734	191
1974 *1*	10,029	3,818	1,826	698	1,879	240	1,085	483
2	9,139	3,835	1,576	561	1,889	244	661	373
3	10,990	4,291	1,847	816	2,066	256	1,074	640
4	11,448	4,697	2,068	869	2,337	200	912	365
1975 *1*	13,202†	5,347	2,495†	1,170	2,239	212†	1,211	528†
2	12,411	5,398†	2,136	912†	2,664†	173	774†	354
3	13,782	5,844	2,374	851	2,716	245	1,292	460
4								

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[1] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.

Public sector receipts

£ million

	Total receipts	Taxes on income	Taxes on capital	Taxes on expenditure	National insurance, etc. contributions	Gross trading surplus[1]	Rent, interest and dividends, etc.	Capital transfers from private sector	Financial transactions	Borrowing requirement
1971	24,370	7,970	663	8,809	2,835	1,695	1,665	29	−667	1,371
1972	27,407	8,118	756	9,283	3,333	1,823	1,853	23	164	2,054
1973	32,153	9,110	822	10,084	3,930	2,195	2,223	24	−453	4,218
1974	41,606	12,131	845	11,351	4,986	2,545	2,778	30	578	6,362
1972 *1*	6,830	3,154	232	2,158	794	421	435	7	403	−774
2	6,587	1,719	183	2,329	824	429	477	4	− 96	718
3	6,790	1,722	165	2,306	835	405	456	6	152	743
4	7,200	1,523	176	2,490	880	568	485	6	−295	1,367
1973 *1*	8,060	3,246	264	2,378	948	574	485	4	473	−312
2	7,449	1,865	178	2,440	944	506	565	7	−452	1,396
3	8,208	2,052	188	2,555	992	461	557	7	−151	1,547
4	8,436	1,947	192	2,711	1,046	654	616	6	−323	1,587
1974 *1*	10,029	3,727	272	2,485	1,118	599	669	6	1,225	− 72
2	9,139	2,411	208	2,873	1,124	636	647	6	−640	1,874
3	10,990	3,070	194	2,900	1,308	539	676	8	692	1,603
4	11,448	2,923	171	3,093	1,436	771	786	10	−699	2,957
1975 *1*	13,202†	4,755	263	2,897†	1,527	751†	802	11	704†	1,492
2	12,411	3,461	184	3,488	1,668†	621	844†	9	−951	3,087†
3	13,782	4,009	181	3,647	1,776	493	793	10	372	2,501
4										

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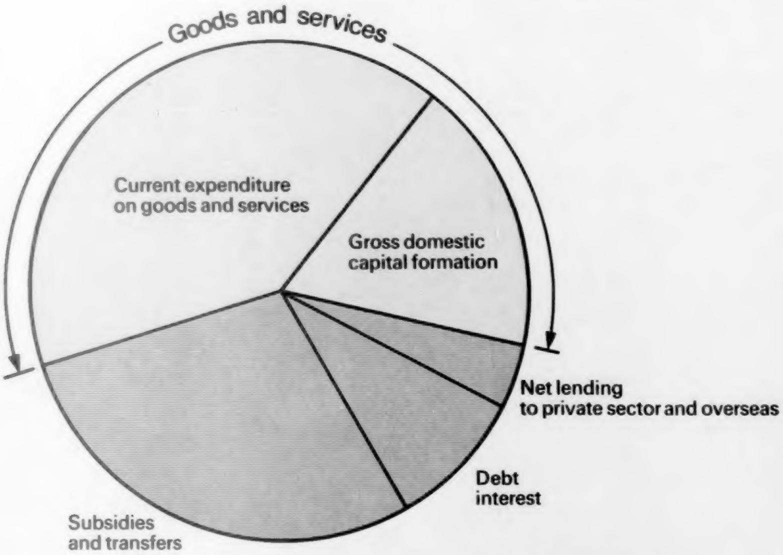
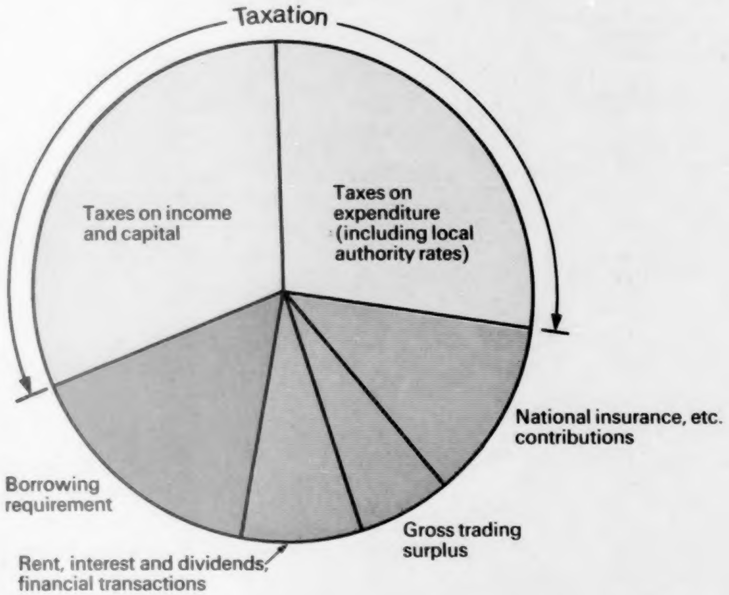
[1] Before providing for depreciation and stock appreciation.

Public expenditure 1974



Public sector receipts 1974



Sector financial accounts

Seasonally adjusted

£ million

		Public sector[1]			Financial companies			Industrial and commercial companies		
		Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
1972		2,970	52	4,759	546	−61	635	4,872	380	4,699
1973		2,967	− 11	5,768	829	−76	1,020	7,273	347	8,038
1974		2,303	− 65	7,317	835	−66	1,157	8,220	334	11,813
1971	*1*	1,036	−102	1,206	114	−16	134	1,018	180	1,144
	2	1,380	− 36	1,121	113	−16	133	794	139	1,118
	3	1,062	− 29	1,111	136	−15	144	967	132	1,002
	4	1,005	− 1	1,190	83	−15	125	983	103	977
1972	*1*	764	2	1,149	106	−15	137	997	116	1,041
	2	815	14	1,208	121	−16	124	1,012	98	1,095
	3	706	22	1,175	171	−15	202	1,320	81	1,187
	4	685	14	1,227	148	−15	172	1,543	85	1,376
1973	*1*	803	− 23	1,424	152	−19	200	1,665	97	1,768
	2	634	− 11	1,355	163	−19	237	1,702	79	1,777
	3	788	7	1,472	236	−19	288	1,834	95	2,118
	4	742	16	1,517	278	−19	295	2,072	76	2,375
1974	*1*	172	11	1,728	183	−16	282	2,234	93	2,868
	2	934	− 34	1,655	187	−16	274	2,027	85	3,252
	3	613	− 34	1,843	225	−17	299	1,950	76	3,055
	4	584	− 8	2,091	240	−17	302	2,009	80	2,638
1975	*1*	178†	7†	2,380†	284†	−17	270	2,157†	104	2,309†
	2	473	15	2,221	261	−17	308†	1,924	82	2,286
	3	273	− 28	2,323	307	−17	434	1,998	99	2,532
	4									

		Personal sector			Net acquisition of financial assets[4]					
		Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies	Industrial and commercial companies	Personal sector	Overseas sector[5]	Residual error[6]
1972		4,435	−371	2,810	−1,737	−150	553	1,254	− 128	208
1973		5,727	−319	3,173	−2,812	−267	− 418	2,235	894	368
1974		7,531	−278	3,006	−5,079	−388	−3,259	4,247	3,743	736
1971	*1*	904	− 62	444	− 272	− 36	54	398	− 141	− 3
	2	787	− 87	533	223	− 36	− 185	167	− 278	109
	3	839	− 88	571	− 78	− 23	97	180	− 392	216
	4	886	− 87	623	− 186	− 57	109	176	− 237	195
1972	*1*	858	−103	650	− 383	− 46	72	105	− 90	342
	2	1,254	− 96	713	− 379	− 19	15	445	− 138	76
	3	1,030	− 88	694	− 447	− 46	214	248	89	− 58
	4	1,293	− 84	753	− 528	− 39	252	456	11	−152
1973	*1*	1,077	− 93	844	− 644	− 67	− 6	140	163	414
	2	1,566	− 68	752	− 732	− 93	4	746	82	− 7
	3	1,501	− 84	801	− 677	− 71	− 189	616	218	103
	4	1,583	− 74	776	− 759	− 36	− 227	733	431	−142
1974	*1*	1,661	− 88	754	−1,545	−115	− 541	819	845†	537†
	2	1,635	− 64	754	− 755	−103	−1,140	817	977	204
	3	2,055	− 65	710	−1,264	− 91	−1,029	1,280	863	241
	4	2,180	− 61	788	−1,515	− 79	− 549	1,331	1,058	−246
1975	*1*	2,384†	− 94†	823†	−2,195†	− 3†	− 48†	1,467†	432	347
	2	2,315	− 80	841	−1,733	− 64	− 280	1,394	343	340
	3	2,554	− 54	928	−2,078	−134	− 435	1,572	584	491
	4									

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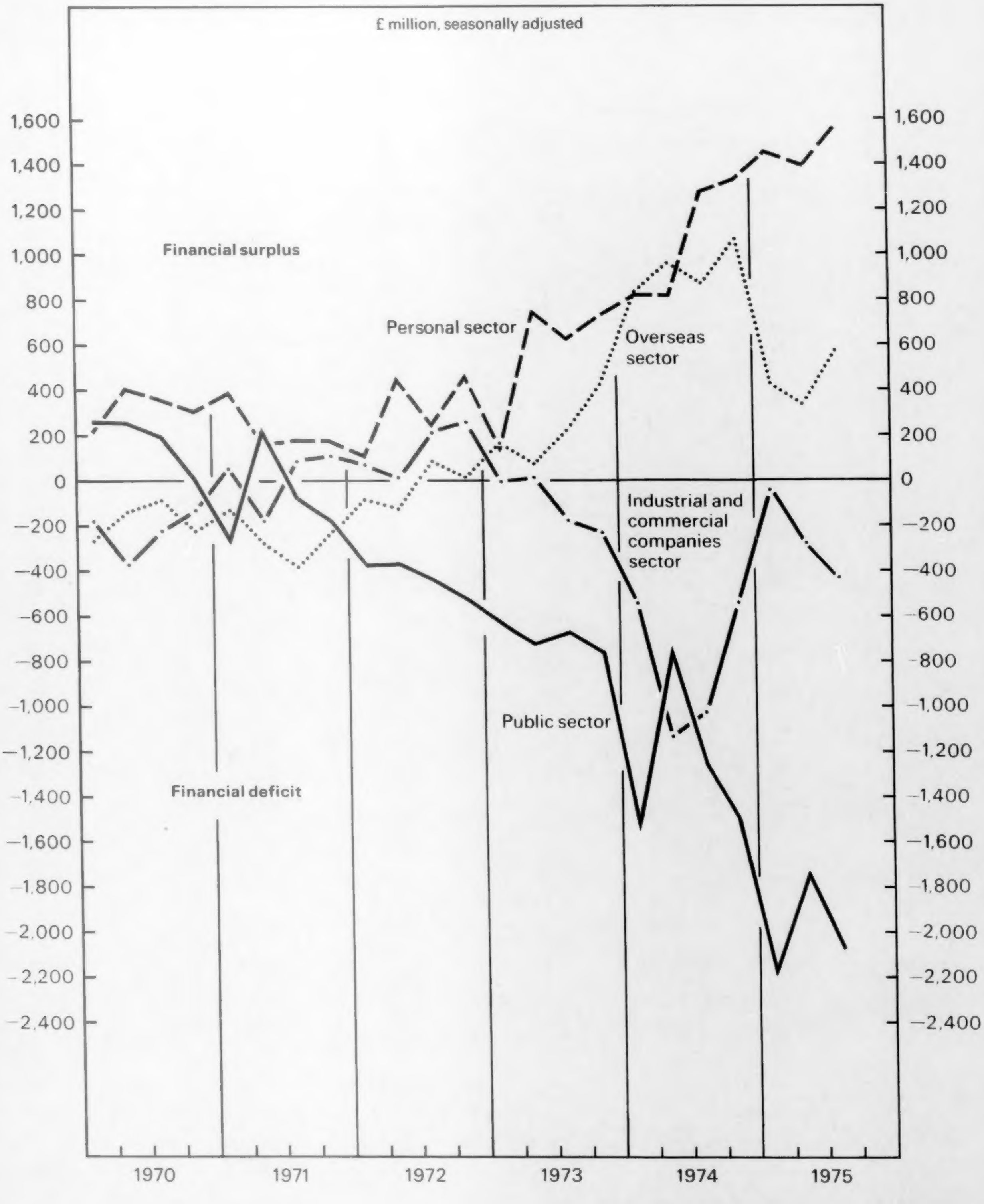
[1] Excluding financial transactions in writing-off debt.
[2] Before providing for depreciation, stock appreciation and addition to reserves.
[3] Comprises gross domestic fixed capital formation, and increase in value of stocks and work in progress.
[4] This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation *less* increase in value of stocks and work in progress.
[5] Equals, apart from the change in sign, the current balance of payments accounts, *plus* capital transfers.
[6] The residual error in the national income accounts.


£ million, seasonally adjusted
Financial surplus
Financial deficit
Personal sector
Overseas sector
Industrial and commercial companies sector
Public sector
1,600
1,400
1,200
1,000
800
600
400
200
0
−200
−400
−600
−800
−1,000
−1,200
−1,400
−1,600
−1,800
−2,000
−2,200
−2,400
1970
1971
1972
1973
1974
1975

Appropriation account of companies

Seasonally adjusted

£ million

	Total	Income					Allocation of income					
		Arising in the United Kingdom									Balance: undistributed income[4]	
		Gross trading profits										
		After deducting stock appreciation	Stock appreciation	Total[1] §	Rent and non-trading income	From abroad	Dividends on ordinary shares[2]	Other interest payments, etc.[2]	Profits due abroad and taxes paid abroad	Payments of United Kingdom taxes on income[3]	Industrial and commercial companies	Financial companies
1964	6,876	4,306	238	4,544	1,051	1,281	1,396	799	731	753	3,041	156
1965	7,358	4,485	256	4,741	1,206	1,411	1,624	959	790	703	3,071	211
1966	7,267	4,308	302	4,610	1,322	1,335	1,548	1,195	715	719	2,877	213
1967	7,537	4,514	149	4,663	1,468	1,406	1,499	1,303	783	1,009	2,700	243
1968	8,726	4,800	475	5,275	1,723	1,728	1,492	1,499	1,080	1,104	3,296	255
1969	9,118	4,559	600	5,159	1,907	2,052	1,601	1,735	1,128	1,190	3,238	226
1970	9,868	4,538	909	5,447	2,134	2,287	1,453	1,890	1,355	1,554	3,321	295
1971	11,121	5,224	868	6,092	2,455	2,574	1,621	2,017	1,735	1,540	3,762	446
1972	12,900	5,840	1,088	6,928	2,939	3,033	1,613	2,273	2,127	1,469	4,872	546
1973	17,699	6,119	2,595	8,714	4,198	4,787	1,695	3,334	2,876	1,692	7,273	829
1974	21,701	4,822	4.884	9,706	5,352	6,643	1,513	4,350	4,473	2,310	8,220	835
1970 *1*	2,374	1,040	283	1,323	503	548	322	455	307	390	852	48
2	2,433	1,126	207	1,333	526	574	402	468	340	410	745	68
3	2,452	1,153	186	1,339	543	570	356	475	355	388	800	78
4	2,609	1,219	233	1,452	562	595	373	492	353	366	924	101
1971 *1*	2,662	1,188	279	1,467	577	618	387	501	396	246	1,018	114
2	2,792	1,207	330	1,537	603	652	407	500	441	537	794	113
3	2,816	1,369	161	1,530	634	652	415	506	439	353	967	136
4	2,851	1,460	98	1,558	641	652	412	510	459	404	983	83
1972 *1*	2,882	1,307	194	1,501	667	714	457	506	495	321	997	106
2	3,106	1,459	233	1,692	704	710	485	535	499	454	1,012	121
3	3,331	1,486	305	1,791	771	769	380	589	545	326	1,320	171
4	3,581	1,588	356	1,944	797	840	291	643	588	368	1,543	148
1973 *1*	4,001	1,733	376	2,109	923	969	551	711	643	279	1,665	152
2	4,204	1,539	571	2,110	981	1,113	532	774	646	387	1,702	163
3	4,446	1,404	801	2,205	1,086	1,155	327	863	711	475	1,834	236
4	5,048	1,443	847	2,290	1,208	1,550	285	986	876	551	2,072	278
1974 *1*	5,433	733	1,748	2,481	1,291	1,661	429	1,034	1,104	449	2,234	183
2	5,487	1,113	1,327	2,440	1,334	1,713	388	1,079	1,200	606	2,027	187
3	5,404	1,589	854	2,443	1,355	1,606	365	1,111	1,079	674	1,950	225
4	5,377	1,387	955	2,342	1,372	1,663	331	1,126	1,090	581	2,009	240
1975 *1*	5,525†	1,214†	1,310	2,524†	1,395†	1,606†	401	1,119†	1,003†	561†	2,157†	284†
2	5,412	1,348	1,022†	2,370	1,442	1,600	430	1,126	998	673	1,924	261
3	5,349	1,316	917	2,233	1,433	1,683	408	1,122	1,025	489	1,998	307
4												
	Percentage change, quarter on corresponding quarter of previous year											
1974 *1*	*+35·8*	*−57·7*	*+364·9*	*+17·6*	*+39·9*	*+71·4*	..	..	*+71·7*	..	*+34·2*	*+ 20·4*
2	*+30·5*	*−27·7*	*+132·4*	*+15·6*	*+36·0*	*+53·9*	*−27·1*	*+39·4*	*+85·8*	*+56·6*	*+19·1*	*+ 14·7*
3	*+21·5*	*+13·2*	*+ 6·6*	*+10·8*	*+24·8*	*+39·0*	*+11·6*	*+28·7*	*+51·8*	*+41·9*	*+ 6·3*	*− 4·6*
4	*+ 6·5*	*− 3·9*	*+ 12·8*	*+ 2·3*	*+13·6*	*+ 7·3*	*+16·1*	*+14·2*	*+24·4*	*+ 5·4*	*− 3·0*	*− 13·7*
1975 *1*	*+ 1·7†*	*+65·6†*	*− 25·1*	*+ 1·7†*	*+ 8·1†*	*− 3·3†*	*− 6·5*	*+ 8·2†*	*− 9·2†*	*+24·9†*	*− 3·4†*	*+ 55·2†*
2	*− 1·4*	*+21·1*	*− 23·0†*	*− 2·9*	*+ 8·1*	*− 6·6*	*+10·8*	*+ 4·4*	*−16·8*	*+11·1*	*− 5·1*	*+ 39·6*
3	*− 1·0*	*−17·2*	*+ 7·4*	*− 8·6*	*+ 5·8*	*+ 4·8*	*+11·8*	*+ 1·0*	*− 5·0*	*−27·5*	*+ 2·5*	*+ 36·4*
4												

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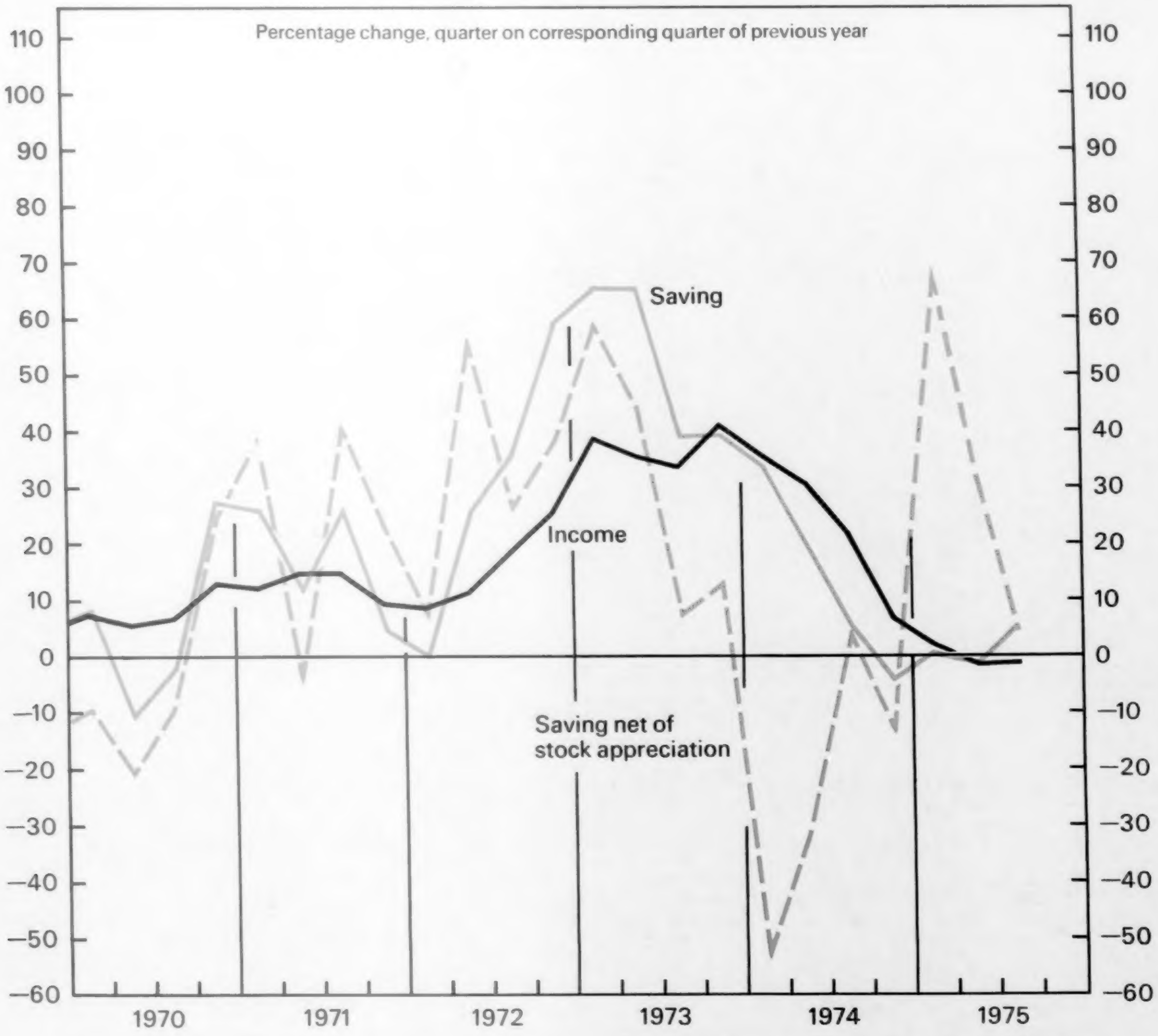
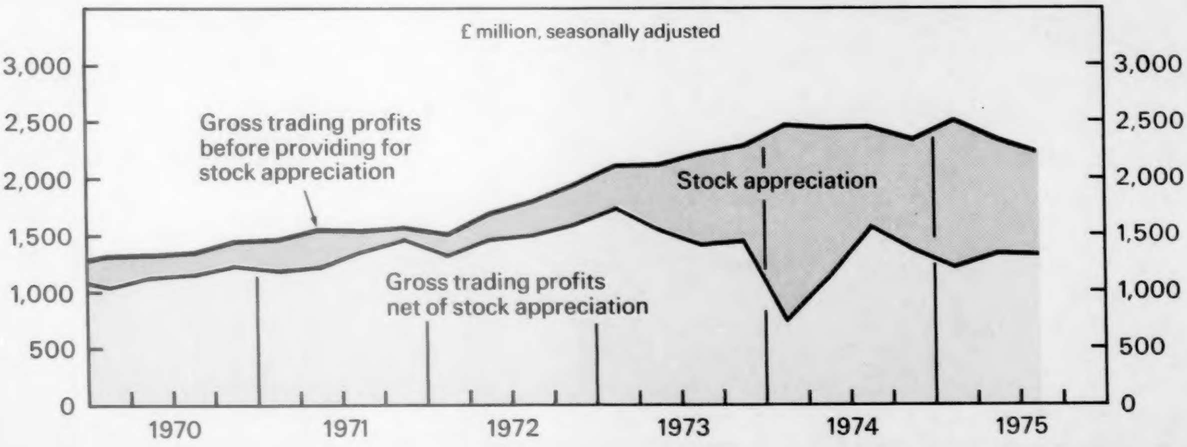
[1] Before providing for depreciation and stock appreciation.

[2] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.

[3] Payments of corporation tax (including advance corporation tax from 6 April 1973) *less* increases in balance of deductions of income tax, from interest payments and from wages and salaries under PAYE, over payments to the Inland Revenue. Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the third quarter of 1975 the amount of advance corporation tax included was £251 million, as well as £2 million of ACT addition.

[4] Before providing for depreciation, stock appreciation and additions to reserves.


Percentage change, quarter on corresponding quarter of previous year
Saving
Income
Saving net of stock appreciation
110
100
90
80
70
60
50
40
30
20
10
0
–10
–20
–30
–40
–50
–60
1970
1971
1972
1973
1974
1975


£ million, seasonally adjusted
Gross trading profits before providing for stock appreciation
Stock appreciation
Gross trading profits net of stock appreciation
3,000
2,500
2,000
1,500
1,000
500
0
1970
1971
1972
1973
1974
1975

Sources and uses of capital funds of industrial and commercial companies

£ million

			Sources of funds					Uses of funds					
		Total	Undistributed income[1]	Capital transfers	Bank borrowing[2], loans and mortgages	UK capital issues by listed companies (net)	Overseas[3]	Taxes on capital and capital transfers	Gross domestic fixed capital formation	Increase in value of stocks and work in progress	Acquisition of financial assets		Unidentified items (residual)
											Liquid assets[4]	Other	
1971		6,770	3,762	595	1,006	375	1,032	41	3,467	774	1,238	934	316
1972		9,944	4,872	409	3,144	616	903	29	3,777	922	2,345	1,879	992
1973		14,748	7,273	373	5,309	158	1,635	26	4,621	3,417	2,559	3,311	814
1974		15,207	8,220	365	4,442	− 13	2,193	31	5,850	5,963	26	2,709†	628†
1971	*3*	1,640	1,097	142	52	94	255	6	877	124	331	− 15	317
	4	1,965	1,244	112	270	128	211	6	932	103	754	675	− 505
1972	*1*	1,880	430	126	992	128	204	18	838	130	− 161	405	650
	2	2,510	1,172	99	909	189	141	3	923	171	795	690	− 72
	3	2,241	1,410	90	288	167	286	4	914	268	692	371	− 8
	4	3,313	1,860	94	955	132	272	4	1,102	353	1,019	413	422
1973	*1*	2,924	1,263	102	1,203	33	323	15	1,060	641	222	775	211
	2	3,153	1,862	81	697	80	433	4	1,078	685	378	644	364
	3	3,624	1,865	108	1,326	19	306	4	1,155	977	1,253	356	− 121
	4	5,047	2,283	82	2,083	26	573	3	1,328	1,114	706	1,536	360
1974	*1*	4,186	1,775	105	1,468	− 6	844	16	1,257	1,539	− 265	646†	993†
	2	4,044	2,330	83	1,220	− 13	424	3	1,365	1,869	222	151	434
	3	3,507	1,872	88	987	14	546	6	1,502	1,548	24	568	− 141
	4	3,470	2,243	89	767	− 8	379	6	1,726	1,007	45	1,344	− 658
1975	*1*	3,244	1,927†	120	915	25	257†	22	1,570	660	128†	323	541
	2	3,099	2,218	84	402†	328†	67	5	1,638†	526†	456	1,177	− 703
	3	2,455	1,953	123	−417	320	476	6	1,967	533	1,365	−168	−1,248
	4												

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[1] Before providing for depreciation, stock appreciation and additions to reserves.
[2] After addition of 40 per cent of the excess of debit over credit transit items. [3] Other than investments included in UK capital issues.
[4] Bank deposits are included after subtraction of 60 per cent of the excess of debit over credit transfer items; includes tax deposit accounts from 2nd quarter 1973.

Selected liquid assets of industrial and commercial companies

£ million

Amounts outstanding at end:		Local authority temporary debt	Deposits with banking sector[1],[2]	Deposits with building societies	Deposits with finance houses[1]	Other identified[1],[3]	Total identified[1]	Bank advances[1],[4]
1971	*1*	217	3,716	71	279	180	4,463	6,212
	2	225	3,801	85	289	184	4,584	6,355
	3	258	4,048	105	320	204	4,935	6,167
	4	257	4,541	140	294	258	5,490	6,431
1972	*1*	276	4,642 4,817	168	256 101	178 173	5,520 5,535	7,235 7,606
	2	314	5,333	188	113	157	6,105	8,688
	3	350	5,993	188	122	157	6,810	8,960
	4	359	6,851	188	136	157	7,691	9,730
1973	*1*	395	7,230 7,225	183	164 162	88	8,060 8,053	10,551 10,649
	2	472	7,202	200	166	87	8,127	11,370
	3	488	8,487	175	186	85	9,421	12,561
	4	483	9,126	160	169	85	10,023	14,421
1974	*1*	519	8,949	149	133	54	9,804	15,423
	2	509	8,897	149	140	52	9,747	16,772
	3	518	9,142	149	104	174	10,087	17,387
	4	484	9,038	149	97	101	9,869	18,019
1975	*1*	424	9,336	149	114	75†	10,098†	18,316
	2	415	9,963 9,514	159	93	133	10,763 10,314	19,332 17,439
	3	434	10,381	164	101	403	11,483	17,517
	4							

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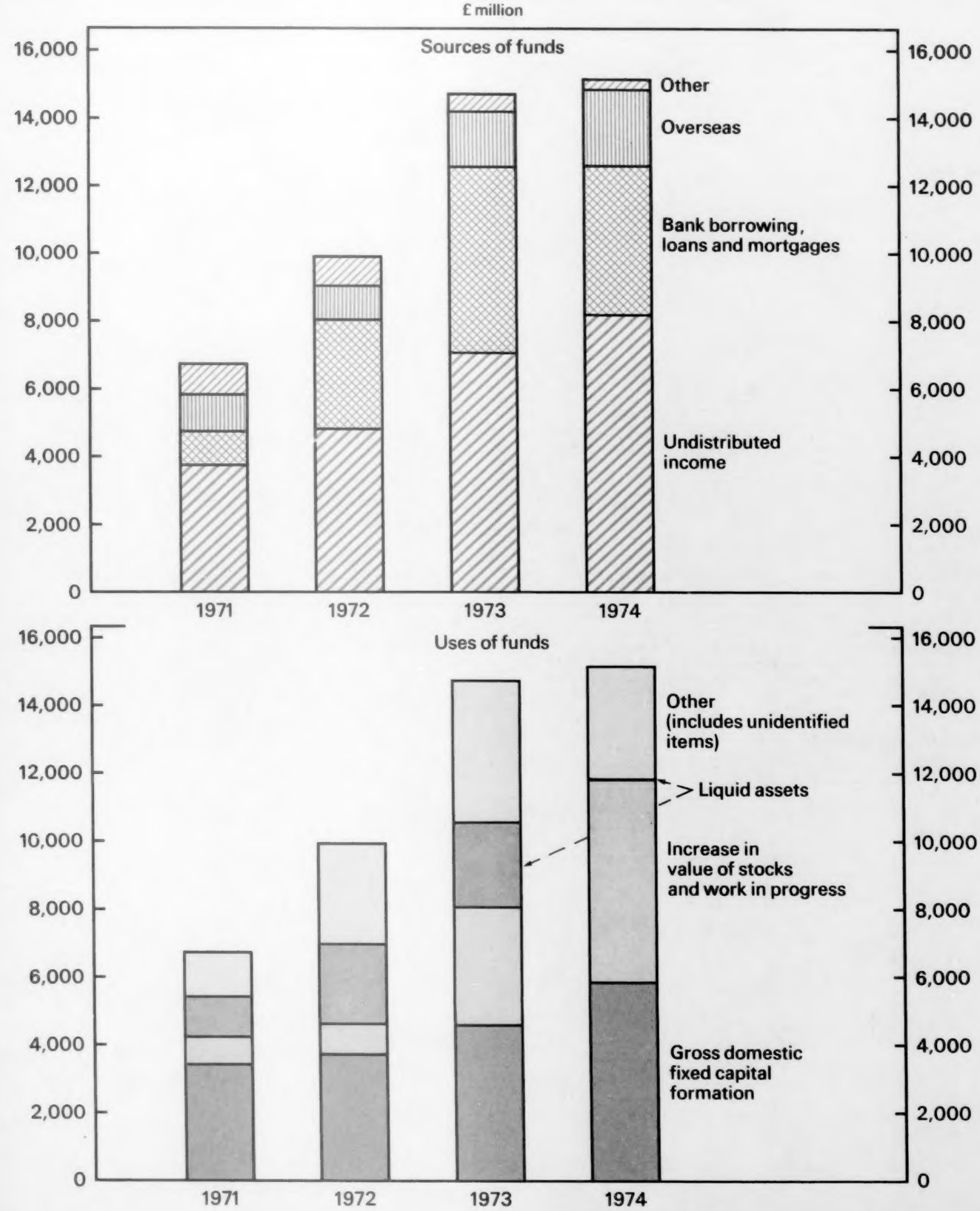
[1] The breaks in series result from further information regarding holdings by sector and changes to the banking and finance houses sectors.
[2] From 2nd quarter 1973 includes identified holdings of dollar certificates of deposit. [3] Treasury bills, tax reserve certificates and tax deposit accounts.
[4] Including refinanceable export and shipbuilding credits with effect from mid-May 1972.


£ million
Sources of funds
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
Other
Overseas
Bank borrowing, loans and mortgages
Undistributed income
1971
1972
1973
1974
Uses of funds
Other (includes unidentified items)
Liquid assets
Increase in value of stocks and work in progress
Gross domestic fixed capital formation

Bank advances to United Kingdom residents by banks in Great Britain[1]

	Seasonally adjusted							
	£ million							
	Total	*Percentage change on year earlier*[3]	Manufacturing	*Percentage change on year earlier*[3]	Other production	Financial	Services	Personal
Outstanding at mid-month								
1969 *Aug*	7,747	*+12·0*	2,981	*+24·0*	986	968	1,910	902
Nov	7,659	*+ 8·0*	3,102	*+25·6*	994	931	1,758	874
1970 *Feb*	7,786	*+ 5·3*	3,145	*+16·9*	998	950	1,815	878
May	8,172	*+ 7·3*	3,442	*+20·2*	1,041	973	1,785	931
Aug	8,491	*+ 9·6*	3,596	*+20·6*	1,081	986	1,850	978
Nov	8,664	*+13·1*	3,704	*+19·4*	1,107	1,015	1,835	1,003
1971 *Feb*	9,108	*+17·0*	3,892	*+23·8*	1,109	1,114	1,956	1,037
May	9,344	*+14·3*	3,772	*+ 9·6*	1,145	1,281	2,039	1,107
Aug	9,527	*+12·2*	3,726	*+ 3·6*	1,195	1,317	2,086	1,203
Nov	10,173	*+17·4*	3,705	—	1,282	1,547	2,241	1,398
1972 *Feb*	10,855	*+19·2*	3,730	*− 4·2*	1,316	1,817	2,361	1,631
May[2]	12,383	*+32·5*	3,930	*+ 4·2*	1,467	2,411	2,597	1,978
	13,278	*+32·5*	4,622	*+ 4.2*	1,577	2,455	2,646	1,978
Aug	14,841	*+46·2*	4,915	*+11·3*	1,717	2,986	2,881	2,342
Nov	16,010	*+48·4*	5,014	*+14·6*	1,880	3,346	3,151	2,619
1973 *Feb*	17,929	*+56·8*	5,555	*+28·3*	2,024	3,847	3,609	2,894
May	18,324	*+38·0*	5,462	*+18·2*	2,144	4,112	3,510	3,096
Aug	20,942	*+41·1*	5,941	*+20·9*	2,385	4,766	4,463	3,387
Nov[1]	22,832	*+42·6*	6,566	*+31·0*	2,526	5,400	4,879	3,461
	24,829	*+42·6*	6,681	*+31·0*	2,900	5,965	5,218	4,065
1974 *Feb*	26,645	*+37·4*	7,183	*+27·2*	3,157	6,600	5,740	3,965
May	28,041	*+42·0*	7,864	*+41·9*	3,394	6,608	6,261	3,914
Aug[4]	29,674	*+32·1*	8,772	*+45·7*	3,582	6,951	6,394	3,975
Nov	30,907	*+24·5*	9,374	*+40·3*	3,560	6,944	7,004	4,025
1975 *Feb*	31,419	*+17·9*	9,675	*+34·7*	3,556	6,870	7,324	3,994

[1] Advances made by the six finance houses recognised or confirmed as banks in January 1972 and January 1973 are only included from the second set of figures for November 1973.

[2] Before and after the transfer of £734 million of certain export and shipbuilding credits from Sterling bills discounted to Advances to UK residents, and certain other upward revisions totalling £178 million.

[3] Percentage change on year earlier is shown after deducting the amounts in footnotes [1] and [2] from the three subsequent quarters following May 1972 and November 1973.

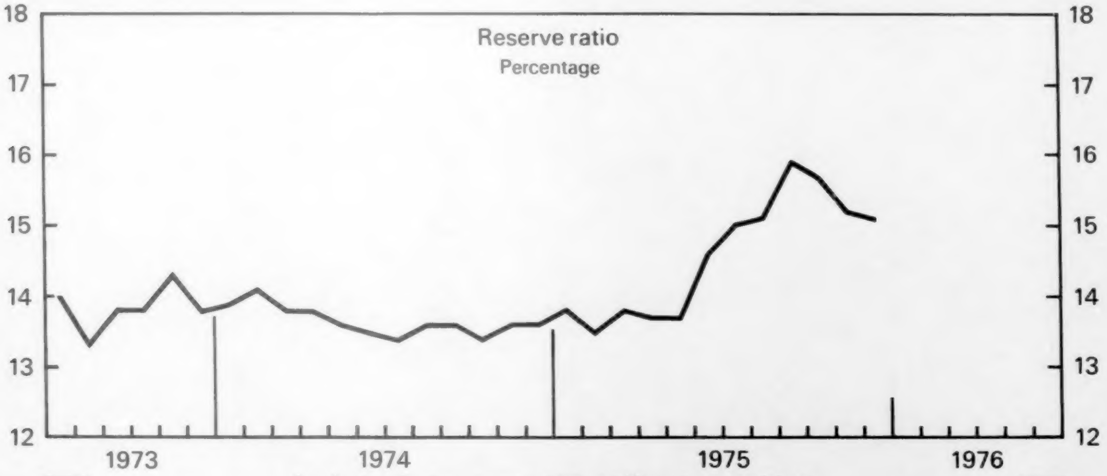
[4] After transfer of £95 million from Financial to Personal.

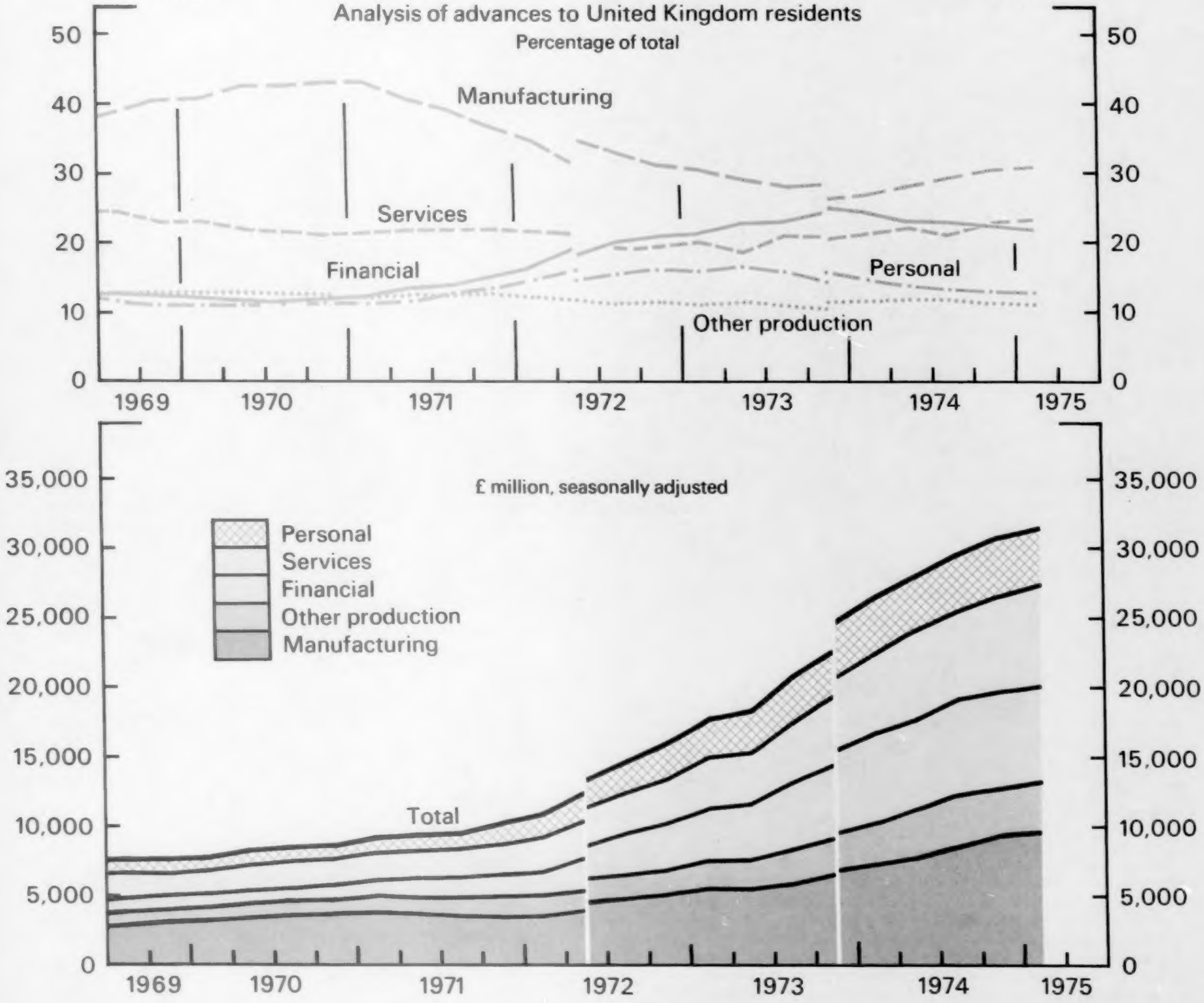
Eligible liabilities

	Unadjusted				
	£ million		Per cent		£ million
	Eligible liabilities	*of which:* Interest bearing[1]	Reserve ratio	Special deposits[2]	Supplementary deposits
At mid-month					
1974 *A*	30,856	21,844	13·6	3	1
S	30,752	21,808	13·6	3	2
O	31,219	21,983	13·4	3	1
N	31,454	22,110	13·6	3	2
D	31,527	21,922	13·6	3	1
1975 *J*	31,603	21,851	13·8	3	2
F	31,857	22,342	13·5	3	—
M	32,054	22,341	13·8	3	. .
A	32,322	22,135	13·7	3	. .
M	32,602	22,232	13·7	3	. .
		22,722			
J	32,373†	22,479†	14·6	3	. .
J	33,204	23,150	15·0	3	. .
A	33,048	22,772	15·1	3	. .
S	32,977	22,841	15·9	3	. .
O	33,364	22,983	15·7	3	. .
N	33,447	23,028	15·2	3	. .
D	33,350	22,768	15·1	3	. .

[1] Banks in Northern Ireland were excluded up to the first figure for May 1975.

[2] Not yet applicable to banks in Northern Ireland.


Reserve ratio
Percentage
18
17
16
15
14
13
12
1973
1974
1975
1976


Analysis of advances to United Kingdom residents
Percentage of total
50
40
30
20
10
0
Manufacturing
Services
Financial
Personal
Other production
1969
1970
1971
1972
1973
1974
1975
£ million, seasonally adjusted
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
Personal
Services
Financial
Other production
Manufacturing
Total
1969
1970
1971
1972
1973
1974
1975

64

Interest rates, security prices and yields

		Percentage rate												
		Last Friday							Last working day		Average of working days			
		Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	London clearing banks		Inter-bank (3 month rate)[5]	Sterling certificates of deposit (3 months)	Interest on US$ deposits in London (3 months)[6]	Building Societies Association recommended rate on shares[7]	British government securities 2½% Consols yield	*Financial Times* index of industrial ordinary shares		
					Base rate	Deposit account: 7 days' notice[4]						1 July 1935=100		
												Price index	Dividend yield	Earnings yield[8]
1964		7	6·74	7⅝–7¾	7	5	7¾ – 7⅝	. .	4·50	3·50	6·03	346·9	4·96	7·36
1965		6	5·60	6⅜	6	4	6½ – 6⅝	. .	5·25	4·00	6·42	337·3	5·74	9·12
1966		7	6·64	7¼– $7\frac{5}{16}$	7	5	$7\frac{5}{16}$– 7⅜	. .	6·56	4·25	6·80	331·9	5·98	8·52
1967		8	7·63	7¾– 7⅞	8	6	$8\frac{1}{16}$– $8\frac{3}{16}$	. .	6·31	4·25	6·69	355·0	5·36	6·69
1968		7	6·89	7¾	7	5	$7\frac{13}{16}$– 8	7⅞ – $7\frac{15}{16}$	7·13	4·50	7·39	463·3	4·05	4·99
1969		8	7·80	9 – $9\frac{1}{16}$	8	6	9⅜ – 9½	9⅛ – 9¼	10·06	5·00	8·88	419·8	4·43	5·82
1970		7	6·93	7¼	7	5	7⅛ – 7¼	$7\frac{3}{16}$– $7\frac{5}{16}$	6·56	5·00	9·16	361·0	4·75	6·54
1971		5	4·46	4½– 4⅝	4½	2½	4⅝ – 4¾	4⅝ – 4¾	5·75	5·00	9·05	386·2	4·76	6·21
1972		9	8·48	8¾	7½	5¾	8⅞ – $9\frac{1}{16}$	$8\frac{15}{16}$– $9\frac{1}{16}$	5·91	5·25	9·11	503·8	3·26	4·98
1973		13	12·82	16 –18⅛	13	9½	$16\frac{1}{16}$–$16\frac{5}{16}$	15¾ –16	10·19	7·50	10·85	435·6	4·12	. .
1974		11½	11·30	13¼	12	9½	$12\frac{1}{32}$–$12\frac{13}{16}$	12⅝ –12¾	10·06	7·50	14·95	251·2	8·23	21·47
1972	*O*	7½	7·01	7⅝	7	5¼–5½	7⅝ – $7\frac{15}{16}$	7⅞ – 8	6·03	5·25	9·59	481·5	3·40	5·35
	N	7½	7·06	7⅞	7	5¼–5½	8⅛ – 8¼	8⅛ – 8¼	6·00	5·25	9·58	491·6	3·33	5·36
	D	9	8·48	8¾	7½	5¾	8⅞ – 9¼	$8\frac{15}{16}$– $9\frac{1}{16}$	5·91	5·25	9·71	508·4	3·21	5·17
1973	*J*	8¾	8·29	9⅜	8½	6¾	9¾ – 9⅞	9¾ – 9⅞	6·63	5·25	9·79	489·9	3·32	5·36
	F	8¾	8·23	10¾	9½	7¾	10¾ –10⅞	10¾ –10⅞	8·44	5·60	9·89	453·6	3·55	. .
	M	8½	8·10	10⅛	9½	7¾	$9\frac{13}{16}$–10	9¾ – 9⅞	8·69	5·60	10·16	445·5	3·61	7·30
	A	8¼	7·82	9¼	9	7¼	$9\frac{3}{16}$– 9⅜	9¼ – 9⅜	8·25	6·30	10·23	464·1	3·53	7·29
	M	7¾	7·33	9⅜	8½	6¾	$9\frac{1}{16}$– 9½	9⅛ – 9¼	8·63	6·75	10·34	457·4	3·77	8·17
	J	7½	7·08	8⅛	8	6¼	$7\frac{15}{16}$– $8\frac{3}{16}$	$8\frac{1}{16}$– $8\frac{3}{16}$	9·06	6·75	10·38	464·9	3·91	8·68
	J	11½	11·20	10½ –11⅜	8	6¼	11¼ –11⅝	11⅝ –11⅞	11·47	6·75	10·84	431·2	4·35	9·66
	A	11½	11·28	13¾ –13⅞	11	9½	14⅜ –14⅝	14¼ –$14\frac{9}{16}$	11·56	6·75	11·37	422·8	4·46	9·97
	S	11½	11·25	13⅜ –13½	11	9½	$13\frac{3}{16}$–13½	13¼ –$13\frac{7}{16}$	10·47	6·75	11·60	418·0	4·53	10·13
	O	11¼	10·96	13 –13⅛	11	9½	$12\frac{13}{16}$–13	$12\frac{13}{16}$–$12\frac{15}{16}$	9·19	7·50	11·31	434·7	4·34	9·81
	N	13	12·85	15 –15¼	13	9½	15½ –$15\frac{11}{16}$	15⅝ –15¾	10·47	7·50	11·89	401·5	4·73	10·68
	D	13	12·82	16 –16⅛	13	9½	$16\frac{1}{16}$–$16\frac{5}{16}$	15¾ –16	10·19	7·50	12·38	329·9	5·72	12·87
1974	*J*	12¾	12·40	16 –16⅛	13	9½	$16\frac{1}{16}$–$16\frac{5}{16}$	16⅛ –16⅜	8·88	7·50	12·79	324·8	5·83	13·30
	F	12½	12·18	14½–14¾	13	9½	14¼ –$14\frac{7}{16}$	14¼ –14⅜	8·63	7·50	13·49	316·5	5·84	13·77
	M	12½	12·35	16	13	9½	15⅜ –15⅞	15⅝ –15¾	10·00	7·50	13·84	297·5	6·17	15·15
	A	12	11·82	13½–13¾	12½	9½	$13\frac{7}{16}$–13⅝	$13\frac{9}{16}$–$13\frac{11}{16}$	11·69	7·50	14·61	290·0	6·40	16·33
	M	11¾	11·54	12⅞–13	12	9½	$12\frac{11}{16}$–12⅞	12¾ –12⅞	11·88	7·50	14·11	296·6	6·67	17·21
	J	11¾	11·56	13¼–13½	12	9½	13⅛ –13½	$13\frac{7}{16}$–$13\frac{9}{16}$	13·50	7·50	14·73	267·5	7·49	19·35
	J	11¾	11·51	13⅜	12	9½	13⅜ –$13\frac{9}{16}$	$13\frac{7}{16}$–$13\frac{9}{16}$	13·56	7·50	15·13	254·8	7·81	20·74
	A	11¾	11·57	12⅝ –12¾	12	9½	12½ –12⅝	12½ –12⅝	13·94	7·50	15·65	222·9	8·91	23·94
	S	11½	11·29	12¼	12	9½	$11\frac{13}{16}$–12⅛	11⅞ –12	12·19	7·50	15·14	203·5	9·86	26·37
	O	11½	11·19	11¾	12	9½	11½ –11¾	$11\frac{9}{16}$–$11\frac{11}{16}$	10·12	7·50	15·93	199·4	10·12	27·16
	N	11½	11·29	12¾ –12⅞	12	9½	12½ –12¾	$12\frac{9}{16}$–$12\frac{11}{16}$	10·62	7·50	16·89	181·0	11·09	30·10
	D	11½	11·30	13¼	12	9½	12½ –$12\frac{13}{16}$	12⅝ –12¾	10·06	7·50	17·10	160·1	12·59	34·19
1975	*J*	11	10·58	12 –12¼	11½	9½	11¾ –12	$11\frac{13}{16}$–$11\frac{15}{16}$	7·44	7·50	16·03	183·7	10·99	30·28
	F	10½	10·01	11½	11½	9	10¾ –11	10¾ –10⅞	7·31	7·50	14·94	262·6	7·56	21·66
	M	10	9·59	10½	10½	7½	9⅞ –$10\frac{1}{16}$	9⅞ –10	6·97	7·50	13·92	292·6	6·80	20·35
	A	9¾	9·46	9¾	9½	6¼	$9\frac{9}{16}$– 9⅞	$9\frac{13}{16}$– $9\frac{15}{16}$	6·94	7·50	14·58	314·9	6·51	19·30
	M	10	9·67	10	9½	6¼	9⅞ –10	$9\frac{13}{16}$– $9\frac{15}{16}$	6·06	7·50	15·22	339·0	6·12	18·09
	J	10	9·71	9½– 9⅝	9½	6¼	9⅝ – $9\frac{13}{16}$	9⅝ – 9¾	6·75	7·00	14·70	332·6	6·06	18·07
	J	11	10·72	10½–10⅝	9½	6¼	10⅜ –$10\frac{11}{16}$	10½ –10⅝	7·13	7·00	14·06	304·4	6·68	19·62
	A	11	10·66	10½	10	6½	10⅜ –$10\frac{9}{16}$	10⅜ –10½	7·50	7·00	14·12	298·3	6·94	19·91
	S	11	10·76	10⅝–10⅞	10	6½	10½ –$10\frac{11}{16}$	10⅝ –10¾	7·53	7·00	14·08	328·9	6·31	17·58
	O	12	11·74	11⅜–11¾	11	7	$11\frac{9}{16}$–11¾	$11\frac{7}{16}$–11½	6·81	7·00	14·90	341·9	6·14	16·88
	N	11½	11·30	11⅜–$11\frac{7}{16}$	11	7	11⅛ –11⅜	$11\frac{3}{16}$–$11\frac{5}{16}$	7·06	7·00	14·79	367·9	5·76	16·02
	D	11¼	10·93	11¼–11⅜	11	7	$11\frac{1}{16}$–$11\frac{3}{16}$	11 –11⅛	5·88	7·00	14·86	365·8	5·74	15·98

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[1] Previously known as Bank rate. With effect from 13 October 1972, the Bank's minimum lending rate to the market will normally be ½% higher than the average rate of discount for Treasury bills established at the weekly tender, rounded to the nearest ¼% above; the rate normally becomes effective, for lending by the Bank, from the following Monday. For changes in Bank rate 1932–72 see *Supplement of Definitions and Explanatory Notes* to *Monthly Digest of Statistics.*

[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.

[3] For a minimim term of 3 months and thereafter at 7 days' notice.

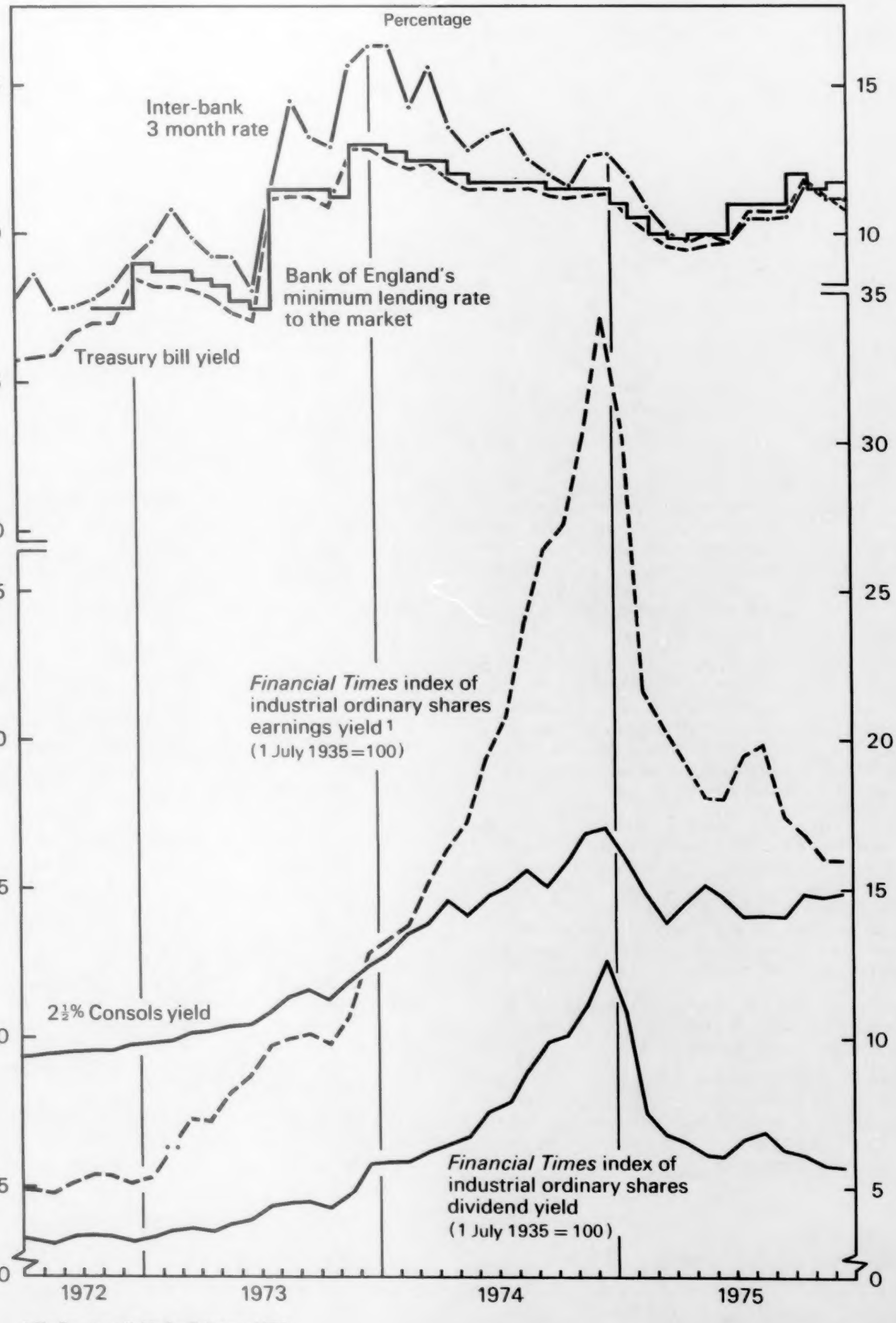
[4] Rate paid on deposits of less than £10,000, which was restricted to 9½% from September 1973 to 28 February 1975.

[5] Spread of rates over the day in the inter-bank sterling market.

[6] Middle-closing.

[7] Net of income tax where this is paid by societies at the agreed composite rate.

[8] A change in basis of calculation of the Earnings yield occurred on 26 February 1973 and is explained in *Financial Statistics Notes and Definitions.* No meaningful average for the month of February is therefore available.



¹ No figure available for February 1973

Cyclical indicators for the United Kingdom economy[1]

Definitions

This section shows a reference chronology of peaks and troughs representing growth cycles in the United Kingdom economy, and groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. In the February, May, August and November issues graphs will be presented of 18 indicator series, arranged in four groups by timing classification, together with four composite indices, one for each timing group. In the intermediate months, only the composite indices are shown.

Growth cycles are defined as cyclical movements in the deviations from a long-term trend. Thus, the contraction phase of a growth cycle is not necessarily a contraction of the economy, but a reduction in growth rate below that of the long-term trend. The trend-eliminated series are obtained by subtracting from the original series an estimate of the long-term trend. Over the central part of the series the trend is estimated by a five-year moving average; for the 2½ years at each end a linear regression fitted to the extreme 5 years of data is used.

The historical reference chronology has been obtained by considering evidence of growth cycles in six series: the three estimates of GDP based on expenditure, output and income respectively, together with industrial production, retail sales volume and notified vacancies. Known special economic or climatic factors were discounted in judging the location of reference turning points.

The groups of indicators have been selected because historically their growth cycle turning points have tended to be in a consistent relationship to the reference chronology, and because they have an economic rationale to account for this relationship. Each group is presented in two forms: on the left hand page are shown seasonally adjusted and MCD-smoothed series, and on the right hand page the same series after trend-elimination and inversion if appropriate.

The composite indices are simple averages of indicator series after trend-elimination, amplitude adjustment, MCD-smoothing and inversion if appropriate.

The graphs of trend-eliminated series, and of the composite indices derived from them, show the last 2½ years in pecked lines. This emphasises that this portion of the series is provisional and liable to be revised due to the operation of the trend-elimination process.

The latest parts of the composite index graphs are shown as dotted lines; this indicates the areas where differing reporting lags make it necessary to base the indices on incomplete sets of indicators. These portions of the graphs are included to give whatever information is available about the latest movements, but they must be treated with more caution than the remainder. The comments on the latest movements point out which indicators are affecting the latest values of the composite indices.

Recent movements of the indicators

(data available to 9 January 1976)

During the most recent period the composite index of longer leading indicators has been rising; on the other hand the index of shorter leading indicators is estimated to have fallen. The composite index of coincident indicators has risen slightly in the latest period, whilst the composite lagging index has continued its decline.

Drawing upon data for two of its four components, the index of longer leading indicators showed a rise in December. A slight fall in the *Financial Times* share price index was more than offset by an increase in the (inverted) short-term rate of interest. The net financial deficit of industrial and commercial companies increased during the third quarter of 1975, which confirms the slight downward movement of the composite index previously shown during this period.

The decline in the composite index of shorter leading indicators in October is at present based upon new car registrations and hire-purchase debt, both of which fell in that month.

In October, the composite index of coincident indicators based on two of its five components, rose slightly. A rise in the index of manufacturing production more than offset a fall in the volume of retail sales. With information now available for GDP based on expenditure data and real disposable income in the third quarter of 1975, the downward movement in this composite index during this period has been confirmed.

During November and December, the composite index of lagging indicators, based on unemployment and vacancies, has fallen again, continuing its decline since July 1974.

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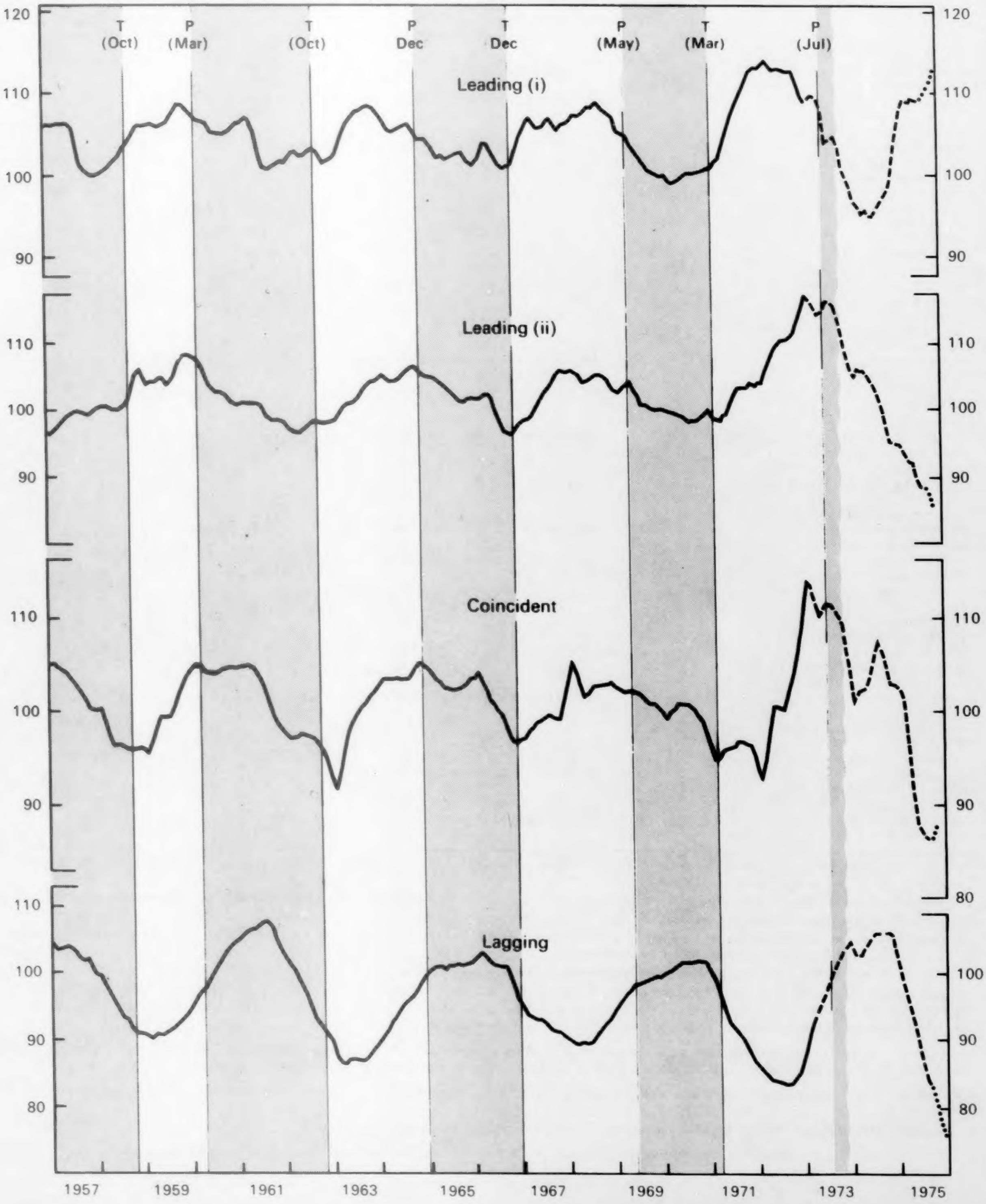
[1] Introduced with an article in the March 1975 issue of *Economic Trends*. A further eight pages, showing individual indicators, will be published once a quarter in the February, May, August and November issues. The interrupted shading on the charts beginning at the peak in July 1973 is intended to show that, although a date has been selected for the peak, the date of the succeeding trough is as yet undetermined.

Cyclical indicators

Composite indices of indicator groups January 1970=100



Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes				MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
			$\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$		
Quarterly series								
National income and components at 1970 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1965 to 2nd quarter 1975	1·3	0·8	0·8	1·1	2	0·4
Income based	6	„ „ „ „ „ „ „	1·4	1·0	0·8	1·2	2	0·5
Output based	6,28	„ „ „ „ „ „ „	1·0	0·6	0·7	0·8	1	0·8
Average estimate	6	„ „ „ „ „ „ „	1·1	0·7	0·7	1·0	1	1·0
Consumers' expenditure	8,10	„ „ „ „ „ „ „	1·2	0·7	0·8	0·9	1	0·9
Fixed capital formation								
Total	8,16	„ „ „ „ „ „ „	2·1	1·5	1·1	1·4	2	0·7
Manufacturing industry	18	„ „ „ „ „ „ „	3·5	2·5	2·2	1·1	2	0·4
Stockbuilding[2]								
Total	8,22	„ „ „ „ „ „ „	*96·9*	*70·9*	*56·8*	1·3	2	0·6
Manufacturing	22	„ „ „ „ „ „ „	*69·3*	*48·8*	*38·0*	1·3	2	0·5
Exports: goods and services	8	„ „ „ „ „ „ „	3·8	2·9	2·0	1·4	2	0·6
Imports: goods and services	8	„ „ „ „ „ „ „	2·9	1·8	1·9	1·0	1	1·0
Personal disposable income	10	„ „ „ „ „ „ „	1·6	1·1	1·0	1·1	2	0·4
Other national income series								
Gross trading profits of companies	58	„ „ „ „ „ „ „	4·3	3·1	2·4	1·3	2	0·5
Other quarterly series								
Construction output	30	1st quarter 1963 to 4th quarter 1974	2·1	1·2	1·3	0·9	1	0·9
Money stock (M_3)[3]	50	1st quarter 1963 to 4th quarter 1974	2·7	0·5	2·7	0·2	1	0·2
Monthly series								
Retail sales								
Total: current prices	12	January 1961 to August 1974	1·1	0·8	0·6	1·3	2	0·7
Total: constant prices	5,12	„ „ „ „ „	0·9	0·9	0·3	3·4	4	0·9
Food shops	12	„ „ „ „ „	0·6	0·6	0·2	3·8	5	0·9
Clothing and footwear shops	12	„ „ „ „ „	2·1	2·0	0·3	6·0	6	1·0
Durable goods shops	12	„ „ „ „ „	1·7	1·5	0·7	2·3	3	0·8
Other non-food shops	12	„ „ „ „ „	1·1	1·0	0·4	2·6	3	0·9
Cars: new registrations	5,12	January 1960 to September 1974	6·2	5·7	2·0	2·8	4	0·8
Housing: public authorities[4]								
Starts	20	January 1956 to December 1974	11·8	11·5	1·5	7·5	6	
Completions	20	„ „ „ „ „	8·0	7·9	1·1	7·2	6	
Housing: private								
Starts	20	„ „ „ „ „	7·9	7·6	2·2	3·5	4	0·9
Completions	20	„ „ „ „ „	5·7	5·8	1·0	5·8	6	0·9
Index of industrial production:								
All industries	5,26,28	January 1968 to December 1974	0·9	0·8	0·3	2·9	4	0·9
Manufacturing industries	26	„ „ „ „ „	1·0	0·9	0·3	2·6	3	0·9
Passenger car production:								
Home market	32	January 1968 to September 1974	5·9	5·6	1·2	4·8	6	0·8
Export	32	„ „ „ „ „	9·0	8·7	1·3	6·9	6	
Commercial vehicle production:								
Home market	32	„ „ „ „ „	6·6	6·3	1·1	5·6	6	0·9
Export	32	„ „ „ „ „	10·9	10·5	2·4	4·4	5	0·9
Unemployed[5]	5,36	January 1961 to November 1974	*11·6*	*3·9*	*10·6*	0·4	1	0·4
Vacancies notified to employment offices[5]	5,36	„ „ „ „ „	*5·9*	*3·0*	*5·2*	0·5	1	0·5
Average earnings	5,40	January 1963 to December 1973	0·8	0·4	0·7	0·6	1	0·6
Exports: value, f.o.b.	5,46	January 1963 to December 1974	5·4	5·1	1·2	4·4	5	0·9
Imports: value, f.o.b.	5,46	„ „ „ „ „	4·6	4·2	1·3	3·2	4	0·8

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[1] For a complete description of these measures see article 'Measuring variability in economic time series' in the August 1972 issue of *Economic Trends*. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes [2], [3] and [5].

$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

Articles

Titles **Page**

National income and expenditure in the third quarter of 1975 70

Developments in methods of estimating manufacturers' stock changes 94

National income and expenditure in the third quarter of 1975[1]

This article presents quarterly estimates of national income and expenditure up to the third quarter of 1975. The appendix tables presented here show quarterly figures for the latest three years. Provisional summary estimates of gross domestic product (GDP) up to the third quarter were issued by a press notice on 19 December, and the figures now incorporate the latest estimates of fixed investment and stockbuilding published in *Trade and Industry* on 8 January. These revisions were included in a press notice issued on 9 January.

In commenting on the quarterly and annual national accounts estimates given in this article, usually only qualitative guidance is given on the relative reliability of different series.[1] Special attention needs to be drawn, however, to the higher margins of error which should be attached to the series estimated at constant prices during periods when the rate of change in prices is relatively high. This point was referred to in an article describing the special problems of estimation which arose in 1972, when mention was made of the significantly higher rates of inflation occurring during the years 1970-1972 compared with earlier periods. Since then the rates of change in prices have reached an even higher level and the estimates at constant prices should therefore be regarded as subject to greater margins of error than in earlier years.

Gross domestic product

The output measure of gross domestic product fell by ½ per cent in the third quarter of 1975, a much smaller fall than that between the first and second quarters. This measure is considered to provide the best indication of short-term movements in GDP. The income measure fell in the third quarter by under 1 per cent, and the expenditure measure fell by 0–½ per cent.

Over a longer period, between the half-year to March 1975 and the half-year to September 1975, the average measure of gross domestic product fell by 3 per cent. This average is considered to give the best indication of movements over longer periods. Over this period the output measure fell by just over 3 per cent, the expenditure measure fell by 2–2½ per cent, while the income measure was nearly 4 per cent lower.

At current prices, gross domestic product (measured by the average of the income and expenditure data) is estimated to have risen by 5 per cent in the third quarter; the index of total home costs (derived from the expenditure measure at current and constant prices) rose rather faster, by over 5½ per cent. Over a longer period between the half-year ending in March 1975 and the half-year ending in September

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[1] A general description of national income statistics, together with details of the sources, methods and definitions used in making the estimates, is given in *National Accounts Statistics: Sources and Methods* (HMSO 1968). Subsequent changes are described in the notes to the 1975 Blue Book.

Gross domestic product at factor cost and national disposable income revalued at constant market prices[1]

		Seasonally adjusted						
		Index numbers, 1970=100						
		Gross domestic product						**National disposable income**
		At current prices		**At 1970 factor cost**				**At 1970 market prices[3]**
		Based on expenditure data	Based on income data	Based on expenditure data	Based on income data[2]	Based on output data	Average estimate	
1973		145·5	144·6	109·4	108·7	110·5	109·6	109·8
1974		167·9	166·1	110·5	109·3	109·6	109·8	105·0
1973	*1*	143·8	139·8	111·1	108·1	110·8	110·0	..
	2	142·1	142·1	109·0	109·1	109·9	109·3	..
	3	146·7	145·7	109·4	108·6	110·8	109·6	..
	4	149·4	150·6	108·2	109·1	110·6	109·3	..
1974	*1*	151·7	146·7	107·1	103·6	107·5	106·1	..
	2	160·2	158·2	110·7	109·4	110·0	110·0	..
	3	177·6	175·2	113·2	111·8	111·2	112·1	..
	4	182·2	184·4	111·0	112·4	109·7	111·1	..
1975	*1*	197·9	194·7	110·4	108·6	110·0	109·6	..
	2	205·7	202·4	108·3	106·6	107·2	107·3	..
	3	216·6	211·9	108·0	105·7	106·6	106·8	..
1974	**1st half**	155·9	152·4	108·9	106·5	108·8	108·1	103·3
	2nd half	179·9	179·8	112·1	112·1	110·5	111·6	106·7
1975	**1st half**	201·8	198·5	109·3	107·6	108·5	108·5	105·7

[1] These estimates are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] Income data deflated by the price index implied by estimates based on expenditure data. [3] Half yearly estimates only.

1975, gross domestic product rose by 10–10½ per cent at current prices, and total home costs rose by 13½–14 per cent.

Estimates of gross domestic product at current and at constant prices, and of real national disposable income are given as index numbers in the table on page 70.

Expenditure (Table 1)

The expenditure measure of gross domestic product fell by 0–½ per cent in the third quarter, a slightly smaller fall than that given by the output measure. Comparing the half-year to September 1975 with the previous half-year, there was a fall in the expenditure measure of 2–2½ per cent. This fall was a little less than that of 3 per cent given by the average measure, which is considered to give the best indication of movements over longer periods.

Consumers' expenditure fell by nearly 1½ per cent in the third quarter; this included a sharp drop in expenditure on radio and electrical goods partly offset by an increase in expenditure on cars and motor cycles. Over a longer period between the half-year ending in March 1975 and the half-year ending in September 1975, there was a fall of 2–2½ per cent. Over this half-year period falls were widely spread between categories of expenditure, with particularly sharp movements in expenditure on wines and spirits, tobacco and on durable goods.

The recorded volume of exports of goods and services fell by 2–2½ per cent in the third quarter, although this comparison is affected by a timing distortion to the second quarter total, resulting from the London dock strike. Imports of goods and services rose in the third quarter by over 3½ per cent. Comparing the half-year to September 1975 with the previous half-year, there were falls in the volume of both exports and imports, of over 4½ per cent and 3½ per cent respectively.

The volume of fixed investment is provisionally estimated to have risen by 4½ per cent in the third quarter, reflecting mainly a sharp increase in North Sea Oil investment, with the deliveries of production platforms in the third quarter, which were also reflected in part in recorded imports. Manufacturing investment fell by 5 per cent in the third quarter, but there was little change in investment in most services. Comparing the half-year ending in September 1975 with the previous half-year, total fixed investment fell by 1–1½ per cent, but there was a much larger fall of 14 per cent in manufacturing investment, but little change in investment in dwellings.

There was a provisionally estimated fall of £155 million in the overall level of stocks at 1970 prices in the third quarter; this was smaller than the revised fall of £290 million for the second quarter. Manufacturers' stocks are estimated to have fallen sharply by £210 million, with the greater part of the fall in stocks of materials and of work-in-progress. Retail stocks are estimated to have increased by £60 million in the third quarter, after an estimated fall of £50 million in the second quarter.

Factor incomes (Table 2)

Total domestic income rose by 3½–4 per cent in the third quarter, a smaller increase than that of 6–6½ per cent in income from employment. Between the half-year ending in March 1975 and the half-year ending in September 1975, total domestic income rose by over 7½ per cent, and income from employment increased by 10½–11 per cent, a rather lower rate of increase than in earlier periods, indicating some slackening in the growth of employment income resulting in part from the reduction in employment and the increase in short-time working. Over this half-year, gross trading profits of companies are provisionally estimated to have fallen by 5 per cent, but if stock appreciation is deducted there was a small increase. Comparing the second and third quarters of 1975 taken together with the same period in 1974, gross trading profits of companies after deducting stock appreciation were little changed, but as a share of total domestic income net of stock appreciation they fell from 7½ to 6 per cent. Over this period the gross trading surplus of public corporations after deducting stock appreciation fell slightly, but there was a rise of over 30 per cent in income from employment; the corresponding increase in income from rent and self-employment, on provisional estimates was 14 per cent.

Output (Table 3)

The output measure of gross domestic product is estimated to have fallen by ½ per cent in the third quarter; this followed a revised fall of 2½ per cent between the first and second quarters, indicating that the decline in output may be levelling out. The index of industrial production fell by 0–½ per cent in the third quarter, after adjustment for the use of delivery indicators to represent output in some industries; the index of manufacturing output fell by a similar amount, but outside manufacturing there was a small rise in construction output, and a fall of over 3½ per cent in the output of gas, electricity and water, partly reflecting the exceptionally warm weather in the third quarter. Output was little changed in most service industries, except in the distributive trades, where a fall of nearly 3 per cent reflected the reduction in retail sales. Over a longer period, between the half-year to March 1975 and the half-year to September 1975, output-based gross domestic product fell by over 2½ per cent and the index of industrial production fell by 5½ per cent, after the adjustment for delivery indicators, but the output of most service industries was only down slightly, except in the distributive trades, whose output dropped by 3½ per cent, and in transport and communication with a fall of 3 per cent.

Personal income, expenditure and saving (Tables 4 and 11)

Total personal income rose by 6 per cent in the third quarter, a rate of increase similar to that in recent periods, and also the same as the percentage rise in the major component, wages and salaries. Between the half-year ending in March 1975 and the half-year ending in September 1975, total personal income rose by nearly 12 per cent; the rise in total wages and salaries over this period was rather less, at 10 per cent, indicating some deceleration in the rate of increase in the last two quarters which reflects the slackening of activity in the economy and the consequent increases in short-time working and unemployment. Between the half-years ending in March 1975 and September 1975 employers' contributions increased sharply by over 16 per cent, reflecting both the increase in national insurance rates with the introduction of the new system of graduated insurance in April 1975, and estimated 'topping up' payments by employers to superannuation schemes. The increase in current grants by public authorities over the same half-year period was even greater, at over 24 per cent, influenced by payments of benefit to the growing number of unemployed, and the increase in unemployment and social security benefit rates from April onwards. Other personal income rose over this period by 9 per cent; within this total, self-employment income, which seems to have been particularly affected by the reduction in economic activity, is provisionally estimated to have risen more slowly, by 6 per cent.

Payments of taxes on income and of national insurance contributions taken together, rose sharply by 11–11½ per cent in the third quarter, but over a longer period between the half-year ending in March 1975 and the half-year ending in September 1975, the rise in personal tax and contribution payments was just under 16 per cent, more in line with the increase of nearly 12 per cent in total personal incomes, although still at a faster rate, reflecting fiscal drag, the increase in the standard rate of income tax introduced in the Budget, and the increases in national insurance contribution rates. Total personal disposable income, taken after deducting taxes and national insurance contributions, rose over this half-year period by 10½–11 per cent, rather below the rise in incomes before tax, and also somewhat below the increase of 11½ per cent in consumers' expenditure at current prices, so that the balance of personal saving, as a proportion of disposable income was reduced slightly from an average of 13·9 per cent in the earlier half-year, to 13·3 per cent in the later half year to September 1975. The increase in total personal disposable income over this half-year period did not match the rise in consumer prices, so that real personal disposable income, corrected for this price change, fell by 2½–3 per cent. In the most recent period, between the second and third quarters of 1975, the fall in real personal disposable income was more moderate, at just over ½ per cent.

The volume of consumers' expenditure fell by nearly 1½ per cent in the third quarter, slightly less than the fall between the first and second quarters. Expenditure on wines and spirits fell by 8 per cent in the third quarter, reflecting the increased excise duties announced in the Budget, which applied to sales only in the later part of the second quarter, but to the whole of the third quarter. Expenditure on beer rose however by 8 per cent, despite the increased duties, probably due to the exceptionally hot weather in the third quarter. There was a sharp drop of 25 per cent in the volume of sales of radio and electrical goods in the third quarter, this movement was affected by the higher VAT rate introduced in the Budget, which boosted sales in April before the new rate took effect—but adversely affected them from May onwards. Expenditure on cars and motor cycles rose by 10 per cent in the third quarter from the depressed second quarter level, possibly encouraged by special offers in September by certain manufacturers. Over a longer period between the half-year to March 1975 and the half-year to September 1975, total consumers' expenditure fell by 2–2½ per cent. Expenditure on wines and spirits, and on tobacco were both down by 8 per cent, and there was a fall of 4 per cent in expenditure on fuel and light, partly reflecting the sharp price increases. Spending on durable goods including cars also fell by 7 per cent, and there were smaller falls in expenditure on clothing and footwear and on other household goods, but little overall change in expenditure on services.

Company sector (Table 5)

Total company income is provisionally estimated to have fallen slightly between the half-year ending in March 1975 and the half-year ending in September 1975; this fall was more than accounted for by the reduction in gross trading profits. However, stock appreciation was significantly down in the latest half-year, with the levelling off in commodity prices, and after deducting this item there was a rise of about 2 per cent in gross trading profits. Over the same period there was a rise of 4 per cent in company sector rent and non-trading income, but little change in income from abroad, which has remained stable since the beginning of 1974, having previously risen sharply mainly as the result of the increase in oil and other commodity prices, and the increase in taxes paid abroad, included in income from abroad. On comparison between the second and third quarters of 1974 combined and the same period in 1975, total company income fell by 1 per cent, and gross trading profits fell by about 6 per cent, before deducting stock appreciation, but if this is deducted, the fall in gross trading profits was reduced to about 1 per cent. Over this period rent and non-trading income rose by 7 per cent.

The timing of dividend payments is still affected by changes to the system of corporation tax, and, since the early part of 1974, by liquidity pressures on companies. Both of these factors have resulted in deferments of dividend payments, and if rough adjustments were made for these timing effects, there would have been a small rise in ordinary dividends between the second and third quarters of 1974 combined, and the same period in 1975. Payments of other dividends and interest rose slightly over this period but profits due abroad fell by 6 per cent, where this movement includes a sharp drop in profits due abroad in the third quarter of 1975, reflecting in part the reduced earnings of the UK activities of overseas companies, most notably in the car industry. Taxes paid abroad fell over this annual period by 12 per cent, and there was a fall of 9 per cent in payments of UK taxes. The latter have been affected since the fourth quarter of 1974 by the special allowances for stock relief introduced in the November 1974 Budget, and also by the ACT addition paid from September 1974, some of which may have been repayable to companies in the second and third quarters of 1975. The balance of company current saving, after adjustment for timing distortions and after deducting stock appreciation, rose by 16 per cent between the half-year ending in September 1974 and the same period in 1975.

Public corporations (Table 6)

The gross trading surplus of public corporations is provisionally estimated to have fallen sharply in the third quarter, almost entirely matched by a sharp drop in stock appreciation and a continuing reduction in subsidies from public authorities. Subsidies to public corporations were high throughout 1974 with the special provisions for the coal industry strike losses in the early part of the year, and with the compensation for price restraint to the Post Office, and the gas and electricity industries. These compensation allowances peaked in the first quarter of 1975, but have since fallen away sharply, the counterpart of the increased postal, gas and electricity charges. Over an annual period between the second and third quarters of 1974 combined and the same period in 1975, the gross trading surplus of public corporations fell by 4 per cent, but if stock appreciation and subsidies are deducted, there was a fall of around 10 per cent. Over the same period payments of interest rose by 15 per cent, so that there was a substantial fall, of about a quarter, in the balance of undistributed income on current account.

Central government (Table 7)

Central government receipts rose by nearly 8 per cent in the third quarter, a similar increase to that between the previous two quarters. Comparing the half-year ending in September 1975 with the previous half-year, total receipts rose by 13 per cent, and taxes on income increased at a similar rate, reflecting fiscal drag and the increase in tax rates announced in the 1975 Budget. National insurance contributions rose by 12½ per cent over this period, following the introduction of the new system of graduated contributions from April; the change to the system also resulted in a near doubling of national health and redundancy fund contributions. The increase over this period in income from rent, dividends and interest was much lower, at 3½ per cent.

Total current expenditure by central government rose by just over 7–7½ per cent in the third quarter. Current expenditure on goods and services increased by 5½–6 per cent, and there was an increase of nearly 8 per cent in current grants to the personal sector, following the sharp rise in the second quarter. Debt interest payments increased by 11½ per cent in the third quarter, reflecting both sales of new government stock and the replacement of earlier issues by substitutes bearing higher interest rates. Over a longer period, between the half-year ending in March 1975 and the half-year ending in September 1975, total current expenditure rose by 15½ per cent. Expenditure on goods and services rose by nearly 19 per cent, reflecting both increased procurement costs and wage and salary settlements in the health service and for non-industrial civil servants, taking effect in the second quarter. Current grants to the personal sector rose by nearly 26 per cent in this period, but there were much smaller increases in current grants to local authorities and in debt interest payments. The rise over this period in total current expenditure slightly exceeded the increase in total receipts, so that there was a small deterioration in the current balance, which had already moved into deficit in the earlier half-year period.

Local authorities (Table 8)

Total current receipts of local authorities rose by nearly 9 per cent in the third quarter, having fallen back slightly between the first and second quarters. Between the half-year ending in March 1975 and the half-year ending in September 1975 total receipts rose by 15 per cent, and the major component, current grants from central government, rose by 13 per cent. Accruals of rates rose over this period by nearly 30 per cent, reflecting the sharp rate rises from the beginning of the 1975/6 financial year. The rise over this period in rents, dividends and interest, was much lower, at 3 per cent. Total current expenditure increased by 14 per cent in the third quarter, where the greater part of the rise came from an increase of nearly 13 per cent in current expenditure on goods and services, reflecting the Burnham pay award for teachers, and the pay awards to the police and non-manual local authority staff. Debt interest payments, which follow a somewhat erratic quarterly path, also rose sharply by 27 per cent. Between the half-year ending in March 1975 and the half-year ending in September 1975, total current expenditure rose by 6½ per cent, considerably below the rate of increase in the latest quarter, due mainly to the inclusion in the earlier half-year of the Houghton award to teachers. Current grants to the personal sector and debt interest payments were both little changed over this period. The balance on current account improved substantially over this half-year period, as is customary around the turn of the financial year; the latest improvement was accentuated by the exceptional increase in current grants from central government from the first quarter, and the Houghton award, which reduced the surplus in the earlier half-year period.

International transactions (Table 9)

The deficit on current account is estimated at £585 million in the third quarter, an increase on the revised estimate of £345 million in the second quarter. The revisions to earlier quarters extend back to the beginning of 1973, and result mainly from new seasonal adjustments of visible trade. The increase in the current deficit in the third quarter is more than accounted for by the balance of trade in goods, despite an improvement of about 3 per cent in the terms of trade over this period. In volume terms, exports of goods and services fell by 2–2½ per cent, while imports rose by just over 3½ per cent. The fall in exports is slightly understated by the recorded figures, which were distorted in the second quarter by the London dock strike. An adjustment of *plus* £25 million at 1970 prices for the strike has been included in other industries' stocks for the second quarter, together with a *minus* £25 million in the first quarter. The rise in imports reflects the deliveries of production platforms to the North Sea in the third quarter. The surplus on invisibles (services, property income and transfers) improved from £340 million to £390 million between the second and third quarters. Over a longer period between the half-year ending in March 1975 and the half year ending in September 1975, the volume of exports and imports of goods and services fell by 4½ per cent and 3½ per cent respectively. In value terms, there was a rise over this period of 4½ per cent in exports, and a fall of 0–½ per cent in imports.

Summary capital account (Table 10)

Total domestic current saving rose by 3 per cent in the third quarter; a rise in saving by the private sector was partially offset by a fall in the public sector. Between the half-year ending in March 1975 and the half-year ending in September 1975, the percentage rise in total domestic saving was rather smaller. Saving by the personal sector rose by around 7 per cent, continuing the upward movement over the past few years, but there was a fall of about 4 per cent in company saving, although if stock appreciation is deducted and rough allowances made for dividend deferments, there was a rise in company saving of about 16 per cent, possibly indicating an upturn from the low level in 1974. Saving by public corporations fell by 22 per cent, but there was some rise in the saving by public authorities in the half-year to September 1975, although this was still well below the average over 1974.

Total gross capital formation at current prices rose moderately by 2 per cent between the half-year ending in March 1975 and the half-year ending in September 1975, where price rises were largely offset by the sharp fall in the level of stocks and the smaller decrease in the volume of fixed investment. Gross capital formation by the personal sector was up by 10 per cent in this period, but there was little change in capital formation by the company sector, which was particularly affected by the stock rundown, and there was a fall of 5 per cent in capital formation by public corporations. The balance on capital account, the net acquisition of financial assets (NAFA) for all domestic sectors combined, has been in deficit over the past three years, but between the half-year ending in March 1975 and the half-year ending in September 1975 the deficit was reduced. This overall improvement included a continuing increase in the personal sector's surplus, and some reduction in the public authorities' deficit, partly offset by the deterioration in the balance on capital account (NAFA) of the corporate sector.

Gross domestic fixed capital formation (Tables 12 and 13)

Total fixed investment rose by 4½ per cent in volume in the third quarter, where this rise was more than accounted for by the sharp increase in investment in North Sea oil equipment with the delivery of oil production platforms. These deliveries are included in the private sector total, which rose in the third quarter by 6 per cent; fixed investment by public corporations also rose in this period, by over 4 per cent, and there was a small rise in investment by public authorities, despite a fall of 6 per cent in investment in public dwellings.

Over a longer period, between the half-year ending in March 1975 and the half-year ending in September 1975, the volume of total fixed investment fell by 1–1½ per cent. There was a similar fall over this period in investment by public authorities, although this movement included a larger decrease of 8 per cent in fixed investment by local authorities, partly offset by a rise in investment by central government. Fixed investment by public corporations fell by nearly 10 per cent over this half-year, partly reflecting a fall back in the recorded expenditure in transport and communication following an upsurge in the last quarter of 1974. Private fixed investment rose by 1½–2 per cent over this period, where this, as mentioned above, included the delivery of imported oil platforms. Over the same half-year period there was a rise in investment in buildings and works of 3 per cent, again reflecting the imported oil platforms, but a sharp fall of 19 per cent in investment in vehicles.

Over the same period, between the half-year ending in March 1975 and the half-year ending in September 1975, fixed investment by manufacturing industry fell by 14 per cent, and investment by the transport and communication industries was 19 per cent lower, but there were more moderate falls of around 3 per cent in investment by the distributive trades and in other industries. Fixed investment in public services rose over this period by nearly 4 per cent, but there was a fall of 4 per cent in investment in public dwellings, possibly indicating a rather different pattern of growth from that observed over most of 1974. Investment in private dwellings, which had recovered from the previous downswing rather later than public dwellings, continued a moderate increase in the later half-year, rising by 2½ per cent. Overall, fixed investment in dwellings was little changed in this latest half-year.

Value of physical increase in stocks and work in progress (Table 14)

The level of stocks is provisionally estimated to have fallen by £155 million in the third quarter at 1970 prices. Although this fall was smaller than the revised estimate of £290 million for the second quarter, it continued the sharp downward movement in stock levels which had commenced at the beginning of the year. Manufacturers' stocks are estimated to have fallen by £210 million, a much larger fall than in the previous quarter, and the largest fall ever recorded in the manufacturers' stocks enquiry. This fall included a reduction of £115 million in stocks of materials and fuel, and of £80 million in stocks of work in progress, but a much smaller fall in stocks of finished goods. This massive fall in manufacturers' stocks resulted in a drop in the stocks/output ratio in the third quarter to 106·5, from 109·6 in the previous quarter; the latest stocks/output ratio, although below the record level in the previous quarter, was still at a historically high level.

Wholesalers' stocks fell £25 million at 1970 prices in the third quarter, continuing the reductions in the previous two quarters, but there was a sharp increase of £60 millions in retailers' stocks, reflecting in part a rebuilding of stocks of durable goods in the third quarter following their depletion in the previous quarter, but also possibly indicating that the decline in retail sales had been accompanied by some involuntary stockbuilding. Stocks in other industries rose by £20 million, following the recorded fall of £70 million in the second quarter.

Central Statistical Office

APPENDIX CONTENTS*

SUMMARY TABLES

	Table	Page
Expenditure on the gross domestic product:		
At current prices - unadjusted At 1970 prices - unadjusted and seasonally adjusted	1	76
Factor incomes in the gross national product:		
Unadjusted and seasonally adjusted	2	77
Index numbers of output at constant factor cost:		
Seasonally adjusted	3	78

SECTOR AND COMPONENT TABLES

	Table	Page
Personal income, expenditure and saving:		
Unadjusted and seasonally adjusted	4	79
Appropriation account of companies:		
Unadjusted and seasonally adjusted	5	80
Appropriation account of public corporations:		
Unadjusted and seasonally adjusted	6	81
Current account of central government including National Insurance Funds:		
Receipts - unadjusted and seasonally adjusted	7	82
Expenditure - unadjusted and seasonally adjusted	7	83
Current account of local authorities:		
Receipts - unadjusted and seasonally adjusted Expenditure - unadjusted and seasonally adjusted	8	84
International transactions:		
Exports and imports of goods and services		
At 1970 prices - unadjusted and seasonally adjusted	9	85
United Kingdom credits - unadjusted and seasonally adjusted	9	86
United Kingdom debits - unadjusted and seasonally adjusted	9	87
Summary capital account:		
Receipts - unadjusted and seasonally adjusted	10	88
Payments - unadjusted and seasonally adjusted	10	89
Consumers' expenditure:		
At current prices - unadjusted At 1970 prices - unadjusted and seasonally adjusted	11	90
Gross domestic fixed capital formation by sector and by type of asset:		
At current prices - unadjusted At 1970 prices - unadjusted and seasonally adjusted	12	91
Gross domestic fixed capital formation by industry group:		
At current prices - unadjusted At 1970 prices - unadjusted and seasonally adjusted	13	92
Value of physical increase in stocks and work in progress:		
At current prices - unadjusted At 1970 prices - unadjusted and seasonally adjusted	14	93

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* The tables show annual figures from 1970 and quarterly figures from 1973.

APPENDIX

Expenditure on the gross domestic product

TABLE 1

£ million

	Gross domestic product at factor cost[1]	Final expenditure on goods and services at market prices									
		Total		Consumers' expenditure	Public authorities' current expenditure	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Exports of goods and services	Imports of goods and services	Taxes on expenditure	Subsidies
		Unadjusted	Seasonally adjusted								
At current prices											
1970	43,252	61,672		31,472	9,095	9,380	450	11,275	10,887	8,433	900
1971	48,787	68,548		35,075	10,353	10,378	99	12,643	11,888	8,809	936
1972	54,679	76,213		39,635	11,776	11,546	17	13,239	13,426	9,283	1,175
1973	62,925	90,081		45,141	13,340	13,815	967[2]	16,818	18,598	10,084[2]	1,526
1974	72,625	107,845		51,670	16,641	16,247	1,082	22,205	26,813	11,351	2,944
1973 *1*	14,858	21,090	21,727	10,402	3,243	3,406	292	3,747	4,155	2,378	301
2	15,251	21,676	21,725	11,020	3,207	3,183	167[2]	4,099	4,346	2,440 [2]	361
3	15,964	22,899	22,905	11,477	3,377	3,442	281	4,322	4,767	2,555	387
4	16,852	24,416	23,724	12,242	3,513	3,784	227	4,650	5,330	2,711	477
1974 *1*	15,729	23,636	24,369	11,373	3,818	3,961	−391	4,875	6,120	2,485	698
2	17,133	26,270	26,358	12,551	3,835	3,618	620	5,646	6,825	2,873	561
3	19,152	28,107	28,178	13,269	4,291	4,040	748	5,759	6,871	2,900	816
4	20,611	29,832	28,940	14,477	4,697	4,628	105	5,925	6,997	3,093	869
1975 *1*	20,618	29,144	30,172	13,762	5,347	4,783	−648	5,900	6,799	2,897	1,170
2	22,065	31,530	31,523	15,519	5,398	4,653	−368	6,328	6,889	3,488	912
3	23,420	33,504	33,457	16,176	5,844	5,262	−209	6,431	7,288	3,647	851
4											
										Adjustment to factor cost[3]	
Revalued at 1970 prices											
1970	43,252	61,672		31,472	9,095	9,380	450	11,275	10,887	7,533	
1971	44,216	63,445		32,397	9,369	9,544	70	12,065	11,412	7,817	
1972	44,954	66,103		34,318	9,716	9,754	− 5	12,320	12,729	8,420	
1973	47,334	70,778		35,962	10,121	10,008	960	13,727	14,461	8,983	
1974	47,796	71,202		35,741	10,449	9,805	553	14,654	14,500	8,906	
Unadjusted											
1973 *1*	11,467	17,189		8,557	2,531	2,588	261	3,252	3,590	2,132	
2	11,780	17,515		8,873	2,507	2,351	342	3,442	3,533	2,202	
3	11,886	17,731		9,070	2,528	2,468	191	3,474	3,609	2,236	
4	12,201	18,343		9,462	2,555	2,601	166	3,559	3,729	2,413	
1974 *1*	11,124	16,840		8,373	2,646	2,584	−264	3,501	3,596	2,120	
2	11,940	17,768		8,818	2,579	2,252	342	3,777	3,705	2,123	
3	12,215	18,072		8,999	2,604	2,373	391	3,705	3,641	2,216	
4	12,517	18,522		9,551	2,620	2,596	84	3,671	3,558	2,447	
1975 *1*	11,400	16,919		8,572	2,650	2,516	−275	3,456	3,386	2,133	
2	11,654	17,215		8,905	2,660	2,312	−223	3,561	3,411	2,150	
3	11,706	17,344		8,860	2,699	2,474	−125	3,436	3,465	2,173	
4											
Seasonally adjusted											
1973 *1*	12,014	17,759		9,056	2,496	2,555	353	3,299	3,497	2,248	
2	11,791	17,528		8,886	2,529	2,434	274	3,405	3,517	2,220	
3	11,829	17,726		9,011	2,543	2,506	155	3,511	3,657	2,240	
4	11,700	17,765		9,009	2,553	2,513	178	3,512	3,790	2,275	
1974 *1*	11,580	17,429		8,880	2,612	2,532	−174	3,579	3,598	2,251	
2	11,971	17,789		8,841	2,601	2,339	274	3,734	3,679	2,139	
3	12,239	18,100		8,963	2,618	2,418	359	3,742	3,634	2,227	
4	12,006	17,884		9,057	2,618	2,516	94	3,599	3,589	2,289	
1975 *1*	11,939	17,640		9,100	2,614	2,472	−171	3,625	3,439	2,262	
2	11,709	17,210		8,941	2,666	2,408	−288	3,483	3,332	2,169	
3	11,680	17,289		8,814	2,709	2,517	−157	3,406	3,453	2,156	
4											

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[1] Equals total final expenditure on goods and services at market prices *less* imports of goods and services *less* taxes on expenditure *plus* subsidies. Estimates of the gross domestic product at constant factor cost based on statistics of output and income are given in the text of the article and Table 3.

[2] The current price estimates for the second quarter of 1973 include a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT; the rebate is also included as a deduction from taxes on expenditure and the estimate of gross domestic product at factor cost is thus not affected.

[3] This represents taxes on expenditure *less* subsidies valued at constant rates.

Factor incomes in the gross national product

TABLE 2

£ million

				Factor incomes							
	Gross national product	Net property income from abroad	Gross domestic product at factor cost	Total domestic income[1]	Income from employment[2]	Gross trading profits of companies[1]	Gross trading surplus of public corporations[1]	Gross profits of other public enterprises[1]	Income from rent and self-employment[1]	*less* Stock appreciation	Residual error
1970	43,809	557	43,252	44,429	30,261	5,447	1,447	151	7,123	−1,152	− 25
1971	49,298	511	48,787	49,369	33,500	6,092	1,520	175	8,082	−1,099	517
1972	55,259	580	54,679	55,811	37,476	6,928	1,679	144	9,584	−1,340	208
1973	64,321	1,396	62,925	65,774	43,161	8,714	2,059	136	11,704	−3,217	368
1974	73,977	1,352	72,625	77,853	52,001	9,706	2,426	119	13,601	−5,964	736
Unadjusted											
1973 *1*	15,052	194	14,858	15,378	10,081	2,054	543	31	2,669	− 482	− 38
2	15,645	394	15,251	16,111	10,623	2,157	472	34	2,825	− 736	−124
3	16,313	349	15,964	16,546	10,950	2,125	425	36	3,010	− 957	375
4	17,311	459	16,852	17,739	11,507	2,378	619	35	3,200	−1,042	155
1974 *1*	16,117	388	15,729	17,624	11,362	2,425	561	38	3,238	−2,051	156
2	17,501	368	17,133	18,770	12,316	2,498	609	27	3,320	−1,636	− 1
3	19,465	313	19,152	19,830	13,489	2,359	512	27	3,443	−1,094	416
4	20,894	283	20,611	21,629	14,834	2,424	744	27	3,600	−1,183	165
1975 *1*	20,932	314	20,618	22,329	15,468	2,468	723	28	3,642	−1,641	− 70
2	22,417	352	22,065	23,172	16,307	2,425	604	17	3,819	−1,254	147
3	23,789	369	23,420	23,909	17,362	2,159	473	20	3,895	−1,120	631
4											
Seasonally adjusted											
1973 *1*	15,744	200	15,544	15,612	10,276	2,109	502	31	2,694	− 482	414
2	15,709	345	15,364	16,107	10,633	2,110	501	34	2,829	− 736	− 7
3	16,183	321	15,862	16,716	10,945	2,205	507	36	3,023	− 957	103
4	16,685	530	16,155	17,339	11,307	2,290	549	35	3,158	−1,042	−142
1974 *1*	16,775	371	16,404	17,918	11,602	2,481	531	38	3,266	−2,051	537
2	17,630	310	17,320	18,752	12,331	2,440	628	27	3,326	−1,636	204
3	19,516	315	19,201	20,054	13,489	2,443	635	27	3,460	−1,094	241
4	20,056	356	19,700	21,129	14,579	2,342	632	27	3,549	−1,183	−246
1975 *1*	21,740	333	21,407	22,701	15,783	2,524	691	28	3,675	−1,641	347
2	22,587	345	22,242	23,156	16,307	2,370	636	17	3,826	−1,254	340
3	23,787	367	23,420	24,049	17,347	2,233	536	20	3,913	−1,120	491
4											

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[1] Before providing for depreciation and stock appreciation.

[2] Wages and salaries, Forces' pay and employers' contributions.

Index numbers of output at constant factor cost

TABLE 3

1970=100

			Industrial production							
	Gross domestic product[1],[2]	Agriculture, forestry and fishing	Total[3]	Mining and quarrying[3]	Manufacturing[3]	Construction	Gas, electricity and water[3]	Transport and communication	Distributive trades	Other services
1970 weights	*1,000*	*30*	*439*	*16*	*327*	*64*	*32*	*84*	*104*	*343*
1965	89·3	91	89·1	122·3	87·6	95·1	79·9	85	91	90
1966	90·9	91	90·6	115·3	89·2	96·7	83·0	88	92	92
1967	92·5	94	91·7	114·5	89·8	100·4	86·0	89	94	95
1968	96·5	94	97·3	111·4	95·9	103·4	91·6	92	97	97
1969	98·3	95	99·8	104·9	99·4	102·0	96·2	96	98	98
1970	100·0	100	100·0	100·0	100·0	100·0	100·0	100	100	100
1971	101·6	106	100·5	99·7	99·7	102·9	103·9	101	101	103
1972	104·5	108	102·6	84·0	102·4	104·5	111·2	106	107	106
1973	110·5	111	110·3	93·6	110·9	107·6	118·1	114	114	109
1974	109·6	116	106·3	82·1	107·8	98·4	119·7	114	113	111
Seasonally adjusted										
1973 *1*	110·8	109	110·5	99·2	110·6	110·1	116·1	112	115	109
2	109·9	110	110·0	96·4	110·5	106·0	119·2	113	112	109
3	110·8	112	110·8	94·5	111·6	107·8	117·5	114	114	109
4	110·6	113	110·0	84·4	111·1	106·3	119·7	115	114	110
1974 *1*	107·5	115	104·4	56·8	106·5	102·3	111·9	111	113	110
2	110·0	116	107·9	89·5	109·4	99·4	119·2	114	110	111
3	111·2	116	108·3	90·8	109·6	98·4	123·8	116	115	111
4	109·7	118	104·8	91·1	105·7	93·7	124·1	116	114	112
1975 *1*	110·0	115	104·8	90·9	106·1	93·9	119·8	117	113	113
2	107·2	115	100·2	88·2	100·4	93·0	119·3	113	111	113
3	106·6	115	100·0	87·9	100·1	95·1	114·9	113	108	114
4										

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[1] Alternative estimates of the gross domestic product are given in the text of the article and in Table 1.

[2] As from 1970 the gross domestic product is shown adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. The industrial production index and the index for manufacturing are still shown unadjusted for this effect.

[3] Monthly figures and figures for individual manufacturing industries are given in Table 50 of the *Monthly Digest of Statistics*.

Personal income, expenditure and saving

TABLE 4

£ million

	Personal income before tax						Transfers abroad (net) and taxes paid abroad	UK taxes on income (payments)[5]	National insurance, etc. contributions	Total personal disposable income[6,7]	Consumers' expenditure	Balance: personal saving[7,8]		Personal disposable income at 1970 prices[9]
	Total[1]	Wages and salaries	Forces' pay	Employers' contributions[2]	Current grants from public authorities[3]	Other personal income[4]								
1970	43,183	26,830	658	2,773	4,336	8,586	57	5,850	2,654	34,622	31,472	3,150	*9·1*	34,622
1971	47,785	29,685	758	3,057	4,784	9,501	35	6,424	2,835	38,491	35,075	3,416	*8·9*	35,552
1972	54,124	33,050	862	3,564	5,843	10,805	79	6,642	3,333	44,070	39,635	4,435	*10·1*	38,158
1973	62,720	37,970	928	4,263	6,403	13,156	115	7,807	3,930	50,868	45,141	5,727	*11·3*	40,524
1974	74,841	45,490	1,078	5,433	7,850	14,990	121	10,533	4,986	59,201	51,670	7,531	*12·7*	40,950
Unadjusted														
1973 *1*	14,770	8,855	222	1,004	1,585	3,104	29	1,987	948	11,806	10,402	1,404	*11·9*	9,710
2	15,441	9,380	215	1,028	1,553	3,265	43	1,966	944	12,488	11,020	1,468	*11·8*	10,053
3	15,928	9,615	257	1,078	1,517	3,461	18	1,952	992	12,966	11,477	1,489	*11·5*	10,245
4	16,581	10,120	234	1,153	1,748	3,326	25	1,902	1,046	13,608	12,242	1,366	*10·0*	10,516
1974 *1*	16,879	9,905	234	1,223	1,773	3,744	28	2,294	1,118	13,439	11,373	2,066	*15·4*	9,889
2	17,690	10,825	230	1,261	1,812	3,562	22	2,505	1,124	14,039	12,551	1,488	*10·6*	9,859
3	19,445	11,755	320	1,414	2,006	3,950	29	2,771	1,308	15,337	13,269	2,068	*13·5*	10,397
4	20,827	13,005	294	1,535	2,259	3,734	42	2,963	1,436	16,386	14,477	1,909	*11·6*	10,805
1975 *1*	21,658	13,480	281	1,707	2,176	4,014	19	3,372	1,527	16,740	13,762	2,978	*17·8*	10,427
2	22,796	14,185	280	1,842	2,566	3,923	38	3,582	1,668	17,508	15,519	1,989	*11·4*	10,046
3	24,458	15,058	369	1,935	2,656	4,440	29	4,010	1,776	18,643	16,176	2.467	*13·2*	10,211
4														
Seasonally adjusted														
1973 *1*	14,882	9,050	222	1,004	1,538	3,068	29	1,843	948	12,062	10,985	1,077	*8·9*	9,946
2	15,525	9,390	215	1,028	1,560	3,332	43	1,946	944	12,592	11.026	1,566	*12·4*	10,151
3	15,888	9,610	257	1,078	1,597	3,346	18	1,964	992	12,914	11,413	1,501	*11·6*	10,199
4	16,425	9,920	234	1,153	1,708	3,410	25	2,054	1,046	13,300	11,717	1,583	*11·9*	10,228
1974 *1*	17,041	10,145	234	1,223	1,734	3,705	28	2,176	1,118	13,719	12.058	1,661	*12·1*	10,107
2	17,827	10,840	230	1,261	1,817	3,679	22	2,480	1,124	14,201	12,566	1,635	*11·5*	9,995
3	19,404	11,755	320	1,414	2,082	3,833	29	2,779	1,308	15,288	13,233	2,055	*13·4*	10,358
4	20,569	12,750	294	1,535	2,217	3,773	42	3,098	1,436	15,993	13,813	2,180	*13·6*	10,490
1975 *1*	21,856	13,795	281	1,707	2,106	3,967	19	3,351	1,527	16,959	14,575	2,384	*14·1*	10,588
2	23,048	14,185	280	1,842	2,583	4,158	38	3,490	1,668	17,852	15,537	2,315	*13·0*	10,273
3	24,430	15,043	369	1,935	2,787	4,296	29	3,966	1,776	18,659	16,105	2,554	*13·7*	10,212
4														

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[1] Before providing for depreciation and stock appreciation.

[2] Employers' contributions to national insurance, etc. and pension funds.

[3] National insurance benefits, family allowances, assistance grants, war pensions and service grants, etc.

[4] Income from rent and self-employment, before providing for depreciation and stock appreciation, dividend and net interest receipts, and transfers to charities from companies. From the second quarter of 1973 includes tax credits on dividends.

[5] From the second quarter of 1973 includes imputed tax payments set against tax credits on dividends *less* payments of these tax credits by the Inland Revenue.

[6] Equals total personal income before tax *less* payments of taxes on income, national insurance, etc. contributions, and net transfers abroad.

[7] Before providing for depreciation, stock appreciation and additions to tax reserves.

[8] Personal saving as a percentage of personal disposable income is shown in italics.

[9] Personal disposable income revalued by the implied consumers' expenditure deflator (1970=100).

Appropriation account of companies

TABLE 5

	£ million											
		Income					Allocation of income					
		Income arising in the United Kingdom					Dividends and interest, etc.					
		Gross trading profits										
	Total	After deducting stock appreciation	Stock appreciation	Total[1]	Rent and non-trading income	Income from abroad	Payments of dividends on ordinary shares[2]	Other	Profits due abroad (net of UK tax)	Taxes paid abroad	UK taxes on income (payments)[3]	Balance: undistributed income[4]
1970	9,868	4,538	909	5,447	2,134	2,287	1,453	1,890	359	996	1,554	3,616
1971	11,121	5,224	868	6,092	2,455	2,574	1,621	2,017	453	1,282	1,540	4,208
1972	12,900	5,840	1,088	6,928	2,939	3,033	1,613	2,273	600	1,527	1,469	5,418
1973	17,699	6,119	2,595	8,714	4,198	4,787	1,695	3,334	710	2,166	1,692	8,102
1974	21,701	4,822	4,884	9,706	5,352	6,643	1,513	4,350	654	3,819	2,310	9,055
Unadjusted												
1973 *1*	3,941	1,678	376	2,054	924	963	476	703	191	462	1,257	852
2	4,277	1,586	571	2,157	956	1,164	600	774	198	458	40	2,207
3	4,328	1,324	801	2,125	1,084	1,119	333	849	139	520	234	2,253
4	5,153	1,531	847	2,378	1,234	1,541	286	1,008	182	726	161	2,790
1974 *1*	5,423	677	1,748	2,425	1,294	1,704	370	1,029	198	939	1,589	1,298
2	5,571	1,171	1,327	2,498	1,300	1,773	439	1,066	168	1,041	118	2,739
3	5,226	1,505	854	2,359	1,353	1,514	372	1,098	111	893	480	2,272
4	5,481	1,469	955	2,424	1,405	1,652	332	1,157	177	946	123	2,746
1975 *1*	5,493	1,158	1,310	2,468	1,399	1,626	344	1,118	154	881	1,551	1,445
2	5,454	1,403	1,022	2,425	1,404	1,625	477	1,110	164	840	131	2,732
3	5,190	1,242	917	2,159	1,432	1,599	409	1,111	108	854	216	2,492
4												
Seasonally adjusted												
1973 *1*	4,001	1,733	376	2,109	923	969	551	711	185	458	279	1,817
2	4,204	1,539	571	2,110	981	1,113	532	774	185	461	387	1,865
3	4,446	1,404	801	2,205	1,086	1,155	327	863	173	538	475	2,070
4	5,048	1,443	847	2,290	1,208	1,550	285	986	167	709	551	2,350
1974 *1*	5,433	733	1,748	2,481	1,291	1,661	429	1,034	203	901	449	2,417
2	5,487	1,113	1,327	2,440	1,334	1,713	388	1,079	166	1,034	606	2,214
3	5,404	1,589	854	2,443	1,355	1,606	365	1,111	125	954	674	2,175
4	5,377	1,387	955	2,342	1,372	1,663	331	1,126	160	930	581	2,249
1975 *1*	5,525	1,214	1,310	2,524	1,395	1,606	401	1,119	159	844	561	2,441
2	5,412	1,348	1,022	2,370	1,442	1,600	430	1,126	162	836	673	2,185
3	5,349	1,316	917	2,233	1,433	1,683	408	1,122	111	914	489	2,305
4												

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[1] Before providing for depreciation and stock appreciation.

[2] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.

[3] Payments of corporation tax (including advance corporation tax) *less* increases in balance of deductions of income tax from interest payments and from wages and salaries under PAYE, over payments to the Inland Revenue. Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the third quarter of 1975 the amount of advance corporation tax included was £251 million, as well as £2 million of ACT addition.

[4] Before providing for depreciation, stock appreciation and additions to reserves.

Appropriation account of public corporations

TABLE 6

£ million

	Income				Allocation of income		
	Total	Gross trading surplus[2]	Rent and non-trading income	Income from abroad	Interest payments	United Kingdom taxes on income (payments)[3]	Balance: undistributed income[4]
1970	1,625	1,447	164	14	779	10	836
1971	1,706	1,520	172	14	864	8	834
1972	1,911	1,679	215	17	925	7	979
1973	2,404	2,059	324	21	1,133	8	1,263
1974	2,859	2,426	408	25	1,505	10	1,344
Unadjusted							
1973 *1*	617	543	69	5	340	8	269
2	547	472	70	5	193	—	354
3	517	425	87	5	362	—	155
4	723	619	98	6	238	—	485
1974 *1*	667	561	100	6	454	10	203
2	707[1]	609[1]	92	6	241[1]	—	466[1]
3	622	512	104	6	457	—	165
4	863	744	112	7	353	—	510
1975 *1*	834	723	104	7	515	10	309
2	727	604	116	7	314	—	413
3	604	473	124	7	542	—	62
4							
Seasonally adjusted							
1973 *1*	576	502	69	5	259	2	315
2	576	501	70	5	270	2	304
3	599	507	87	5	289	2	308
4	653	549	98	6	315	2	336
1974 *1*	637	531	100	6	337	3	297
2	726[1]	628[1]	92	6	365[1]	2	359[1]
3	745	635	104	6	392	3	350
4	751	632	112	7	411	2	338
1975 *1*	802	691	104	7	435	2	365
2	759	636	116	7	428	3	328
3	667	536	124	7	446	2	219
4							

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[1] Including, from the second quarter of 1974, regional water authorities and trust ports.

[2] Before providing for depreciation and stock appreciation.

[3] Payments to Inland Revenue *less* amounts deducted from dividends and interest paid.

[4] Before providing for depreciation, stock appreciation and additions to reserves.

Current account of central government including National Insurance Funds

Receipts

TABLE 7

£ million

	Total	Gross trading surplus[1]	Rent, dividends and interest	Taxes on income[2]	Taxes on expenditure		National insurance contributions	National health contributions	Redundancy Fund contributions
					Selective employment tax	Other taxes			
1970	17,958	35	1,240	7,420	850	5,759	2,394	208	52
1971	19,008	42	1,431	7,978	666	6,056	2,547	236	52
1972	19,964	9	1,591	8,125	449	6,457	3,048	233	52
1973	22,218	6	1,697	9,118	132	7,335[3]	3,640	237	53
1974	27,604	29	2,088	12,141	—	8,360	4,694	239	53
Unadjusted									
1973 *1*	6,486	− 3	478	3,303	114	1,646	876	59	13
2	4,966	1	367	1,878	18	1,758[3]	872	59	13
3	5,354	5	470	1,999	—	1,888	920	59	13
4	5,412	3	382	1,938	—	2,043	972	60	14
1974 *1*	7,332	4	616	3,780	—	1,814	1,046	59	13
2	6,043	8	385	2,424	—	2,102	1,053	58	13
3	7,034	9	559	3,031	—	2,127	1,232	62	14
4	7,195	8	528	2,906	—	2,317	1,363	60	13
1975 *1*	9,097	7	654	4,818	—	2,091	1,456	58	13
2	8,104	2	500	3,471	—	2,463	1,552	97	19
3	9,076	5	707	3,966	—	2,622	1,621	130	25
4									
Seasonally adjusted									
1973 *1*	5,322	− 3	403	2,126	114	1,734	876	59	13
2	5,330	1	420	2,205	18	1,742[3]	872	59	13
3	5,649	5	423	2,298	—	1.931	920	59	13
4	5,917	3	451	2,489	—	1,928	972	60	14
1974 *1*	5,927	4	475	2,433	—	1,897	1,046	59	13
2	6,634	8	504	2,904	—	2,094	1,053	58	13
3	7,269	9	535	3,281	—	2,136	1,232	62	14
4	7,774	8	574	3,523	—	2,233	1,363	60	13
1975 *1*	8,026	7	600	3,709	—	2,183	1,456	58	13
2	8,616	2	566	3,927	—	2,453	1,552	97	19
3	9,291	5	649	4,230	—	2,631	1,621	130	25
4									

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[1] Before providing for depreciation and stock appreciation.

[2] Tax receipts *less* tax credits.

[3] See footnote [2] to Table 1.

Current account of central government including National Insurance Funds

Expenditure

TABLE 7 *(continued)*

£ million

	Total	Total current expenditure	Current expenditure on goods and services				Subsidies	National insurance benefits	Other current grants to personal sector	Debt interest	Current grants to local authorities	Current grants paid abroad	Balance : current surplus[1]
			Total	Military defence	National health service	Other							
1970	17,958	14,291	5,409	2,420	1,725	1,264	784	2,715	1,459	1,298	2,450	176	3,667
1971	19,008	16,042	6,142	2,712	1,949	1,481	841	2,926	1,686	1,384	2,858	205	2,966
1972	19,964	18,637	6,894	3,015	2,240	1,639	1,103	3,483	2,116	1,599	3,234	208	1,327
1973	22,218	21,291	7,640	3,316	2,497	1,827	1,389	3,934	2,079	1,801	4,088	360	927
1974	27,604	27,281	9,878	4,129	3,435	2,314	2,766	4,921	2,459	2,117	4,819	321	323
Unadjusted													
1973 *1*	6,486	5,271	1,894	794	606	494	279	951	517	469	1,059	102	1,215
2	4,966	5,069	1,810	803	595	412	331	923	516	352	1,021	116	−103
3	5,354	5,309	1,933	847	641	445	344	919	506	533	1,000	74	45
4	5,412	5,642	2,003	872	655	476	435	1,141	540	447	1,008	68	−230
1974 *1*	7,332	6,428	2,256	970	716	570	660	1,096	549	585	1,176	106	904
2	6,043	6,098[2]	2,255[2]	978	771[2]	506	537	1,065	615	395	1,154[2]	77	− 55[2]
3	7,034	7,190	2,601	1,103	900	598	776	1,283	607	635	1,228	60	−156
4	7,195	7,565	2,766	1,078	1,048	640	793	1,477	688	502	1,261	78	−370
1975 *1*	9,097	8,820	2,863	1,071	1,057	735	1,064	1,376	632	683	2,139	63	277
2	8,104	8,757	3,176	1,218	1,210	748	822	1,604	812	518	1,727	98	−653
3	9,076	9,663	3,362	1,307	1,265	790	778	1,676	852	803	2,132	60	−587
4													
Seasonally adjusted													
1973 *1*	5,322	5,120	1,845	794	600	451	277	923	520	408	1,062	85	202
2	5,330	5,246	1,870	820	610	440	332	953	510	430	1,034	117	84
3	5,649	5,299	1,933	839	640	454	343	971	526	474	969	83	350
4	5,917	5,626	1,992	863	647	482	437	1,087	523	489	1,023	75	291
1974 *1*	5,927	6,265	2,196	968	712	516	655	1,077	552	522	1,176	87	−338
2	6,634	6,323[2]	2,330[2]	1,000	788[2]	542	539	1,095	609	480	1,193[2]	77	311[2]
3	7,269	7,143	2,602	1,093	900	609	772	1,331	629	573	1,170	66	126
4	7,774	7,550	2,750	1,068	1,035	647	800	1,418	669	542	1,280	91	224
1975 *1*	8,026	8,586	2,793	1,071	1,055	667	1,049	1,331	637	602	2,131	43	−560
2	8,616	8,997	3,202	1,218	1,199	785	827	1,650	803	632	1,782	101	−381
3	9,291	9,657	3,386	1,307	1,284	795	775	1,764	884	705	2,075	68	−366
4													

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[1] Before providing for depreciation and stock appreciation.

[2] The estimates from the second quarter of 1974 are affected by the transfer of certain functions between public corporations, central government and local authorities.

Current account of local authorities

TABLE 8

£ million

	Receipts						Expenditure							
				Rates				Current expenditure on goods and services						
	Total	Gross trading surplus[1]	Rent, dividends and interest	Cash receipts	Accruals adjustment[2]	Current grants from central government	Total current expenditure	Education	Other	Subsidies	Current grants to personal sector	Debt interest	Taxes on income (payments)[3]	Balance: current surplus[1]
1970	5,505	116	1,115	1,842	− 18	2,450	5,032	1,777	1,909	116	162	1,068	—	473
1971	6,265	133	1,187	2,120	− 33	2,858	5,582	2,032	2,179	95	172	1,104	—	683
1972	7,032	135	1,286	2,442	− 65	3,234	6,368	2,400	2,482	72	244	1,170	—	664
1973	8,444	130	1,609	2,502	115	4,088	7,667	2,756	2,944	137	390	1,440	—	777
1974	9,925	90	2,025	2,983	8	4,819	9,289	3,393	3,370	178	470	1,878	—	636
Unadjusted														
1973 *1*	2,064	34	353	412	206	1,059	1 925	655	694	22	117	388	49	139
2	2,112	33	394	673	− 9	1,021	1,834	678	719	30	114	280	13	278
3	2,118	31	420	579	88	1,000	1,937	694	750	43	92	411	−53	181
4	2,150	32	442	838	−170	1,008	1,971	729	781	42	67	361	− 9	179
1974 *1*[4]	2,335	34	454	580	91	1,176	2,324	739	823	38	128	553	43	11
2[4]	2,414[4]	19[5]	470[5]	712[5]	59[5]	1,154[5]	2,080[5]	810[5]	770[5]	24	132	331[5]	13	334[5]
3	2,536	18	517	817	− 44	1,228	2,299	871	819	40	116	492	−39	237
4	2,640	19	584	874	− 98	1,261	2,586	973	958	76	94	502	−17	54
1975 *1*	3,563	21	597	723	83	2,139	3,384	1,402	1,082	106	168	573	53	179
2	3,370	15	603	1,183	−158	1,727	2,796	1,137	1,085	90	150	324	10	574
3	3,784	15	612	1,112	− 87	2,132	3,244	1,279	1,203	73	128	604	−43	540
4														
Seasonally adjusted														
1973 *1*	2,067	34	353	618		1,062	1,781	651	690	25	95	320	—	286
2	2,125	33	394	664		1,034	1,879	674	721	34	97	353	—	246
3	2,087	31	420	667		969	1,957	703	751	38	100	365	—	130
4	2,165	32	442	668		1,023	2,050	728	782	40	98	402	—	115
1974 *1*[4]	2,335	34	454	671		1,176	2,122	735	816	40	105	426	—	213
2[4]	2,453[5]	19[5]	470[5]	771[5]		1,193[5]	2,189[5]	805[5]	774[5]	38	113	459[5]	—	264[5]
3	2,478	18	517	773		1,170	2,341	881	821	39	122	478	—	137
4	2,659	19	584	776		1,280	2,637	972	959	61	130	515	—	22
1975 *1*	3,555	21	597	806		2,131	3,182	1,395	1,072	83	138	494	—	373
2	3,425	15	603	1,025		1,782	2,899	1,130	1,089	90	130	460	—	526
3	3,727	15	612	1,025		2,075	3,307	1,294	1,207	85	139	582	—	420
4														

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[1] Before providing for depreciation and stock appreciation.

[2] Adjustments to accruals of rates for the quarter as included in taxes on expenditure and in the adjustment to factor cost in Table 1.

[3] Payments to Inland Revenue *less* amounts deducted from interest paid.

[4] Most of the figures for these two quarters are very much less reliable than usual because of low response to the quarterly enquiries.

[5] Figures from the second quarter of 1974 exclude water, land drainage and sewage disposal (England and Wales), health and trust ports.

International transactions

Exports and imports of goods and services revalued at 1970 prices

TABLE 9

	£ million							
	Exports				Imports			
	Unadjusted		Seasonally adjusted		Unadjusted		Seasonally adjusted	
	Goods	Services	Goods	Services	Goods	Services	Goods	Services
1970	7,907	3,368	7,907	3,368	7,919	2,968	7,919	2,968
1971	8,434	3,631	8,434	3,631	8,249	3,163	8,249	3,163
1972	8,425	3,895	8,425	3,895	9,211	3,518	9,211	3,518
1973	9,634	4,093	9,634	4,093	10,609	3,852	10,609	3,852
1974	10,290	4,364	10,290	4,364	10,718	3,782	10,718	3,782
1973 *1*	2,323	929	2,316	983	2,695	895	2,552	945
2	2,428	1,014	2,376	1,029	2,584	949	2,556	961
3	2,332	1,142	2,463	1,048	2,546	1,063	2,683	974
4	2,551	1,008	2,479	1,033	2,784	945	2,818	972
1974 *1*	2,487	1,014	2,506	1,073	2,708	888	2,665	933
2	2,679	1,098	2,622	1,112	2,750	955	2,714	965
3	2,531	1,174	2,657	1,085	2,612	1,029	2,680	954
4	2,593	1,078	2,505	1,094	2,648	910	2,659	930
1975 *1*	2,481	975	2,588	1,037	2,497	889	2,510	929
2	2,558	1,003	2,450	1,033	2,518	893	2,418	914
3	2,344	1,092	2,409	997	2,471	994	2,532	921
4								

International transactions

United Kingdom credits

TABLE 9 *(continued)*

	£ million					
		Exports and property income from abroad				
	Total credits	Exports of goods[1]	Exports of services	Property income from abroad	United Kingdom taxes paid by non-residents	Current transfers to personal sector
1970	14,209	7,907	3,368	2,465	277	192
1971	15,913	8,810	3,833	2,785	270	215
1972	17,037	9,140	4,099	3,311	256	231
1973	22,548	11,771	5,047	5,088	347	295
1974	29,950	15,886	6,319	7,020	370	355
Unadjusted						
1973 *1*	4,933	2,678	1,069	1,027	95	64
2	5,499	2,898	1,201	1,233	96	71
3	5,665	2,898	1,424	1,198	68	77
4	6,451	3,297	1,353	1,630	88	83
1974 *1*	6,863	3,460	1,415	1,791	112	85
2	7,686	4,079	1,567	1,860	95	85
3	7,520	4,026	1,733	1,608	63	90
4	7,881	4,321	1,604	1,761	100	95
1975 *1*	7,802	4,346	1,554	1,720	87	95
2	8,254	4,658	1,670	1,733	93	100
3	8,278	4,517	1,914	1,686	61	100
4						
Seasonally adjusted						
1973 *1*	4,993	2,669	1,133	1,035	92	64
2	5,390	2,831	1,218	1,180	90	71
3	5,780	3,072	1,311	1,236	84	77
4	6,385	3,199	1,385	1,637	81	83
1974 *1*	6,940	3,490	1,493	1,751	121	85
2	7,556	3,996	1,588	1,798	89	85
3	7,690	4,231	1,597	1,701	71	90
4	7,764	4,169	1,641	1,770	89	95
1975 *1*	8,082	4,532	1,664	1,701	90	95
2	8,063	4,461	1,702	1,708	92	100
3	8,314	4,639	1,739	1,773	63	100
4						

[1] On a balance of payments basis.

International transactions

United Kingdom debits

TABLE 9 *(continued)*

£ million

			Imports and property income paid abroad				Current transfers		
	Total	Total debits	Imports of goods[1]	Imports of services	Property income paid abroad	Foreign taxes paid by United Kingdom residents	From personal sector	From central government[2]	Balance: net investment and capital transfers abroad[3]
1970	14,209	13,474	7,919	2,968	1,166	1,019	226	176	735
1971	15,913	14,865	8,528	3,360	1,240	1,304	228	205	1,048
1972	17,037	16,909	9,830	3,596	1,438	1,549	288	208	128
1973	22,548	23,383	14,066	4,532	1,849	2,190	386	360	– 835
1974	29,950	33,618	21,120	5,693	2,189	3,849	446	321	–3,668
Unadjusted									
1973 *1*	4,933	5,272	3,200	955	460	468	87	102	– 339
2	5,499	5,505	3,274	1,072	471	464	108	116	– 6
3	5,665	5,847	3,467	1,300	391	526	89	74	– 182
4	6,451	6,759	4,125	1,205	527	732	102	68	– 308
1974 *1*	6,863	7,846	4,862	1,258	568	947	105	106	– 983
2	7,686	8,589	5,420	1,405	539	1,048	100	77	– 903
3	7,520	8,400	5,285	1,586	457	901	111	60	– 880
4	7,881	8,783	5,553	1,444	625	953	130	78	– 902
1975 *1*	7,802	8,460	5,381	1,418	603	890	105	63	– 658
2	8,254	8,591	5,340	1,549	626	848	130	98	– 337
3	8,278	8,846	5,477	1,811	515	863	120	60	– 568
4									
Seasonally adjusted									
1973 *1*	4,993	5,118	2,998	1,021	463	464	87	85	– 125
2	5,390	5,453	3,219	1,084	458	467	108	117	– 63
3	5,780	5,997	3,655	1,171	455	544	89	83	– 217
4	6,385	6,815	4,194	1,256	473	715	102	75	– 430
1974 *1*	6,940	7,785	4,762	1,330	592	909	105	87	– 845
2	7,556	8,504	5,332	1,418	536	1,041	100	77	– 948
3	7,690	8,513	5,430	1,449	495	962	111	66	– 823
4	7,764	8,816	5,596	1,496	566	937	130	91	–1,052
1975 *1*	8,082	8,514	5,399	1,509	605	853	105	43	– 432
2	8,063	8,406	5,145	1,575	611	844	130	101	– 343
3	8,314	8,898	5,611	1,630	546	923	120	68	– 584
4									

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[1] On balance of payments basis.

[2] From the beginning of 1973 net of receipts from the EEC.

[3] Equal to the current balance in the balance of payments accounts.

Summary capital account

Receipts

TABLE 10

	£ million										
		Saving[1]					Capital transfers (net)				
	Total	Total	Personal sector	Com-panies	Public corpor-ations	Public authori-ities	Personal sector	Com-panies	Public corpor-ations[2]	Public authori-ities[2]	Residual error
1970	11,717	11,742	3,150	3,616	836	4,140	−358	406	76	−124	−25
1971	12,624	12,107	3,416	4,208	834	3,649	−324	492	84	−252	517
1972	13,031	12,823	4,435	5,418	979	1,991	−371	319	122	−70	208
1973	17,105	16,796	5,727	8,102	1,263	1,704	−319	271	152	−163	368
1974	19,550	18,889	7,531	9,055	1,344	959	−278	268	223	−288	736
Unadjusted											
1973 *1*	3,803	3,879	1,404	852	269	1,354	−95	34	55	−32	−38
2	4,061	4,204	1,468	2,207	354	175	−73	73	29	−48	−124
3	4,497	4,123	1,489	2,253	155	226	−79	99	32	−53	375
4	4,744	4,590	1,366	2,790	485	−51	−72	65	36	−30	155
1974 *1*	4,638	4,482	2,066	1,298	203	915	−87	49	52	−14	156
2	4,942	4,972	1,488	2,739	466	279	−70	71	30	−60	−1
3	4,962	4,586	2,068	2,272	165	81	−61	75	34	−88	416
4	5,008	4,849	1,909	2,746	510	−316	−60	73	107	−126	165
1975 *1*	5,118	5,188	2,978	1,445	309	456	−92	30	85	−23	−70
2	5,202	5,055	1,989	2,732	413	−79	−86	66	34	−14	147
3	5,605	4,974	2,467	2,492	62	−47	−54	108	53	−107	631
4											
Seasonally adjusted											
1973 *1*	4,073	3,697	1,077	1,817	315	488	−93	78	55	−78	414
2	4,039	4,065	1,566	1,865	304	330	−68	60	29	−40	−7
3	4,461	4,359	1,501	2,070	308	480	−84	76	32	−25	103
4	4,532	4,675	1,583	2,350	336	406	−74	57	36	−20	−142
1974 *1*	4,787	4,250	1,661	2,417	297	−125	−88	77	52	−41	537
2	4,958	4,783	1,635	2,214	359	575	−64	69	30	−64	204
3	5,044	4,843	2,055	2,175	350	263	−65	59	34	−68	241
4	4,761	5,013	2,180	2,249	338	246	−61	63	107	−115	−246
1975 *1*	5,350	5,003	2,384	2,441	365	−187	−94	87	85	−78	347
2	5,313	4,973	2,315	2,185	328	145	−80	65	34	−19	340
3	5,623	5,132	2,554	2,305	219	54	−54	82	53	−81	491
4											

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[1] Before providing for depreciation, stock appreciation, and additions to reserves.

[2] Excluding financial transactions on the writing-off of debt.

Summary capital account

Payments

TABLE 10 *(continued)*

£ million

		Gross capital formation[1]					Balance: net investment abroad[2]	Net acquisition of financial assets[3]			
	Total	Total	Personal sector	Companies	Public corporations	Public authorities		Personal sector	Companies	Public corporations	Public authorities
1970	11,717	10,982	1,509	5,260	1,743	2,470	735	1,283	–1,238	– 831	1,546
1971	12,624	11,576	2,171	4,777	2,016	2,612	1,048	921	– 77	–1,098	785
1972	13,031	12,903	2,810	5,334	1,853	2,906	128	1,254	403	– 752	– 985
1973	17,105	17,999	3,173	9,058	2,193	3,575	– 894	2,235	– 685	– 778	–2,034
1974	19,550	23,293	3,006	12,970	3,064	4,253	–3,743	4,247	–3,647	–1,497	–3,582
Unadjusted											
1973 *1*	3,803	4,180	798	1,900	591	891	– 377	511	–1,014	– 267	431
2	4,061	4,086	806	1,988	518	774	– 25	589	292	– 135	– 647
3	4,497	4,680	803	2,396	551	930	– 183	607	– 44	– 364	– 757
4	4,744	5,053	766	2,774	533	980	– 309	528	81	– 12	–1,061
1974 *1*	4,638	5,621	717	3,078	575	1,251	– 983	1,262	–1,731	– 320	– 353
2	4,942	5,874	802	3,496	776	800	– 932	616	– 686	– 280	– 581
3	4,962	5,882	710	3,325	736	1,111	– 920	1,297	– 978	– 537	–1,118
4	5,008	5,916	777	3,071	977	1,091	– 908	1,072	– 252	– 360	–1,533
1975 *1*	5,118	5,776	781	2,500	1,181	1,314	– 658	2,105	–1,025	– 787	– 881
2	5,202	5,539	937	2,466	1,033	1,103	– 337	960	338	– 586	–1,196
3	5,605	6,173	909	2,891	1,080	1,293	– 568	1,504	– 291	– 965	–1,447
4											
Seasonally adjusted											
1973 *1*	4,073	4,236	844	1,968	593	831	– 163	140	– 73	– 223	– 421
2	4,039	4,121	752	2,014	514	841	– 82	746	– 89	– 181	– 551
3	4,461	4,679	801	2,406	541	931	– 218	616	– 260	– 201	– 476
4	4,532	4,963	776	2,670	545	972	– 431	733	– 263	– 173	– 586
1974 *1*	4,787	5,632	754	3,150	571	1,157	– 845	819	– 656	– 221	–1,324
2	4,958	5,935	754	3,526	775	880	– 977	817	–1,243	– 387	– 368
3	5,044	5,907	710	3,354	725	1,118	– 863	1,280	–1,120	– 340	– 924
4	4,761	5,819	788	2,940	993	1,098	–1,058	1,331	– 628	– 549	– 966
1975 *1*	5,350	5,782	823	2,579	1,162	1,218	– 432	1,467	– 51	– 712	–1,483
2	5,313	5,656	841	2,594	1,013	1,208	– 343	1,394	– 344	– 651	–1,082
3	5,623	6,207	928	2,956	1,026	1,297	– 584	1,572	– 569	– 754	–1,324
4											

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[1] Gross fixed capital formation *plus* the increase in book value of stocks and work in progress.

[2] Equals, apart from the change in sign, the net acquisition of financial assets by the overseas sector.

[3] This balance is equal to saving *plus* capital transfers *less* gross capital formation.

Consumers' expenditure

TABLE 11

£ million

			Alcoholic drink					Clothing		Durable goods					
	Total	Food (household expenditure)	Beer	Wines, spirits, etc.	Tobacco	Housing	Fuel and light	Footwear	Other	Total	Cars and motor cycles	Furniture and floor coverings	Radio and electrical goods, etc.	Other goods	Other services
At current prices															
1970	31,472	6,365	1,355	941	1,720	4,181	1,495	458	2,235	2,401	1,017	691	693	4,730	5,591
1971	35,075	6,964	1,526	1,076	1,691	4,719	1,618	495	2,415	3,060	1,455	780	825	5,257	6,254
1972	39,635	7,423	1,662	1,248	1,808	5,432	1,798	561	2,760	3,756	1,831	907	1,018	6,018	7,169
1973	45,141	8,443	1,807	1,609	1,945	6,305	1,898	638	3,185	4,202	2,013	1,027	1,162	6,846	8,263
1974	51,670	9,837	2,072	1,855	2,237	7,198	2,268	738	3,739	4,145	1,834	1,081	1,230	8,244	9,337
1973 *1*	10,402	1,993	370	250	435	1,502	585	136	675	1,141	597	266	278	1,527	1,788
2	11,020	2,052	455	355	507	1,599	446	153	739	1,018	555	220	243	1,643	2,053
3	11,477	2,108	514	381	505	1,590	342	154	741	1,044	515	246	283	1,754	2,344
4	12,242	2,290	468	623	498	1,614	525	195	1,030	999	346	295	358	1,922	2,078
1974 *1*	11,373	2,256	426	329	468	1,728	621	142	733	952	425	246	281	1,715	2,003
2	12,551	2,374	521	390	575	1,836[1]	499	178	862	1,049	566	235	248	1,960	2,307
3	13,269	2,494	563	404	596	1,815	445	189	911	1,041	472	267	302	2,158	2,653
4	14,477	2,713	562	732	598	1,819	703	229	1,233	1,103	371	333	399	2,411	2,374
1975 *1*	13,762	2,742	522	347	570	1,904	767	179	914	1,248	608	303	337	2,192	2,377
2	15,519	2,981	631	498	684	2,246	675	213	1,034	1,260	617	297	346	2,450	2,847
3	16,176	3,031	770	512	734	2,256	565	216	1,029	1,227	604	313	310	2,601	3,235
4															
Revalued at 1970 prices															
1970	31,472	6,365	1,355	941	1,720	4,181	1,495	458	2,235	2,401	1,017	691	693	4,730	5,591
1971	32,397	6,362	1,419	1,044	1,658	4,287	1,484	466	2,260	2,838	1,344	715	779	4,885	5,694
1972	34,318	6,320	1,464	1,177	1,748	4,377	1,537	484	2,426	3,374	1,631	787	956	5,337	6,074
1973	35,962	6,388	1,549	1,439	1,859	4,438	1,574	500	2,560	3,605	1,684	796	1,125	5,731	6,319
1974	35,741	6,418	1,552	1,529	1,833	4,460	1,615	505	2,534	3,153	1,357	691	1,105	5,717	6,425
Unadjusted															
1973 *1*	8,557	1,583	317	228	416	1,107	490	112	571	995	510	221	264	1,306	1,432
2	8,773	1,585	390	320	485	1,138	375	122	606	882	467	175	240	1,387	1,583
3	9,070	1,580	440	339	483	1,118	287	119	592	889	428	184	277	1,463	1,760
4	9,462	1,640	402	552	475	1,075	422	147	791	839	279	216	344	1,575	1,544
1974 *1*	8,373	1,545	349	280	440	1,102	484	102	536	777	338	171	268	1,298	1,460
2	8,818	1,596	390	319	470	1,135[1]	373	123	597	810	429	153	228	1,386	1,619
3	8,999	1,621	414	332	463	1,118	303	128	611	776	338	167	271	1,453	1,780
4	9,551	1,656	399	598	460	1,105	455	152	790	790	252	200	338	1,580	1,566
1975 *1*	8,572	1,555	352	271	430	1,144	482	113	565	832	381	176	275	1,302	1,526
2	8,905	1,606	384	343	446	1,172	384	129	624	778	359	163	256	1,381	1,658
3	8,860	1,582	448	328	433	1,154	284	128	603	712	332	166	214	1,408	1,780
4															
Seasonally adjusted															
1973 *1*	9,056	1,605	366	331	452	1,111	387	139	673	976	471	233	272	1,430	1,586
2	8,886	1,590	387	361	465	1,111	394	119	620	859	395	189	275	1,414	1,566
3	9,011	1,592	402	370	465	1,116	390	122	627	913	441	186	286	1,440	1,574
4	9,009	1,601	394	377	477	1,100	403	120	640	857	377	188	292	1,447	1,593
1974 *1*	8,880	1,566	402	399	474	1,104	382	128	636	769	311	181	277	1,423	1,597
2	8,841	1,604	385	359	451	1,111[1]	389	120	610	794	367	165	262	1,415	1,603
3	8,963	1,634	376	362	449	1,115	409	132	647	794	344	170	280	1,431	1,614
4	9,057	1,614	389	409	459	1,130	435	125	641	796	335	175	286	1,448	1,611
1975 *1*	9,100	1,577	406	392	463	1,147	383	142	671	822	351	187	284	1,428	1,669
2	8,941	1,613	379	384	429	1,145	398	126	639	773	305	175	293	1,409	1,646
3	8,814	1,594	409	355	421	1,152	386	132	638	726	337	169	220	1,385	1,616
4															

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[1] From the second quarter of 1974 the estimates are affected by the reorganisation of local government and the creation of regional water authorities.

Gross domestic fixed capital formation by sector and by type of asset

TABLE 12

£ million			Public sector[1]			Vehicles, ships and aircraft	Plant and machinery	Dwellings		Other new buildings and works[2]
	Total	Private sector[1]	Total	Public authorities	Public corporations			Private	Public	
At current prices										
1970	9,380	5,274	4,106	2,427	1,679	972	3,591	842	801	3,174
1971	10,378	5,955	4,423	2,561	1,862	1,094	3,817	1,100	798	3,569
1972	11,546	6,894	4,652	2,879	1,773	1,341	3,905	1,446	828	4,026
1973	13,815	8,236	5,579	3,538	2,041	1,580	4,662	1,686	1,024	4,863
1974	16,247	9,329	6,918	4,226	2,692	1,627	5,516	1,698	1,433	5,973
1973 *1*	3,406	1,950	1,456	884	572	378	1,198	391	239	1,200
2	3,183	1,987	1,196	763	433	359	1,028	434	233	1,119
3	3,442	2,030	1,412	916	493	357	1,162	418	276	1,229
4	3,784	2,269	1,515	975	540	476	1,274	443	276	1,315
1974 *1*	3,961	2,102	1,859	1,247[3]	612	341	1,332	426	339[3]	1,523
2	3,618	2,241	1,377	794[3,4]	583[4]	384	1,229	411	287[3]	1,307
3	4,040	2,308	1,732	1,110	622	398	1,335	376	408	1,523
4	4,628	2,678	1,950	1,075	875	504	1,620	485	399	1,620
1975 *1*	4,783	2,510	2,273	1,323	950	436	1,591	500	447	1,809
2	4,653	2,756	1,897	1,104	793	420	1,540	551	432	1,710
3	5,262	3,066	2,196	1,277	919	429	1,739	561	457	2,076
4										
Revalued at 1970 prices										
1970	9,380	5,274	4,106	2,427	1,679	972	3,591	842	801	3,174
1971	9,544	5,465	4,079	2,383	1,696	999	3,481	1,007	745	3,312
1972	9,754	5,802	3,952	2,447	1,505	1,148	3,353	1,160	711	3,382
1973	10,008	6,016	3,992	2,449	1,543	1,237	3,707	1,040	717	3,307
1974	9,805	5,787	4,018	2,363	1,655	1,095	3,773	873	800	3,264
Unadjusted										
1973 *1*	2,588	1,486	1,102	655	447	306	977	261	177	867
2	2,351	1,470	881	544	337	293	830	274	169	785
3	2,468	1,470	998	626	372	279	919	251	192	827
4	2,601	1,590	1,011	624	387	359	981	254	179	828
1974 *1*	2,584	1,415	1,169	753[3]	416	249	989	231	207[3]	908
2	2,252	1,428	824	452[3,4]	372[4]	270	871	214	165[3]	732
3	2,373	1,403	970	601	369	262	890	191	222	808
4	2,596	1,541	1,055	557	498	314	1,023	237	206	816
1975 *1*	2,516	1,346	1,170	657	513	255	947	229	219	866
2	2,312	1,388	924	522	402	232	861	242	201	776
3	2,474	1,458	1,016	578	438	222	918	237	203	894
4										
Seasonally adjusted										
1973 *1*	2,555	1,541	1,014	607	407	327	937	267	178	846
2	2,434	1,476	958	594	364	279	886	273	175	821
3	2,506	1,493	1,013	627	386	294	943	251	186	832
4	2,513	1,506	1,007	621	386	337	941	249	178	800
1974 *1*	2,532	1,458	1,074	697[3]	377	261	949	236	206[3]	880
2	2,339	1,441	898	499[3,4]	399[4]	259	928	213	172[3]	767
3	2,418	1,433	985	606	379	278	913	192	216	819
4	2,516	1,455	1,061	561	500	297	983	232	206	798
1975 *1*	2,472	1,387	1,085	609	476	270	911	235	217	839
2	2,408	1,404	1,004	572	432	223	922	241	210	812
3	2,517	1,487	1,030	580	450	236	942	238	197	904
4										

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[1] Including purchases *less* sales of land and existing buildings.

[2] Including transfer costs of land and buildings.

[3] The figures for these two quarters are very much less reliable than usual because of low response to the quarterly enquiries.

[4] The estimates from the second quarter 1974 are affected by the transfer of certain functions between public corporations, central government and local authorities.

Gross domestic fixed capital formation

Analysis by industry group

TABLE 13

£ million

	Total	Mining and quarrying	Manufacturing[1]	Gas, electricity and water	Transport and communication	Distributive trades[1]	Other industries[2]	Dwellings	Public services	Transfer costs of land and buildings
At current prices										
1970	9,380	130	2,130	783	1,183	475	1,315	1,643	1,447	274
1971	10,378	167	2,187	789	1,329	559	1,490	1,898	1,637	322
1972	11,546	218	2,042	717	1,530	680	1,717	2,274	1,915	453
1973	13,815	293	2,428	789	1,875	787	2,143	2,710	2,225	565
1974	16,247	812	3,260[3]	922	1,915	823	2,428	3,131	2,461	495
1973 *1*	3,406	71	564	225	468	185	539	630	590	134
2	3,183	69	536	182	415	190	500	667	483	141
3	3,442	72	636	191	434	194	514	694	559	148
4	3,784	81	692	191	558	218	590	719	593	142
1974 *1*	3,961	153	722	248	429	189	607	765	728	120
2	3,618	181	723	186	442	187	596	698	495	110
3	4,040	221	821	222	429	203	597	784	638	125
4	4,628	257	994[3]	266	615	244	628	884	600	140
1975 *1*	4,783	354	877	298	567	196	668	947	745	131
2	4,653	399	844	260	498	214	661	983	636	158
3	5,262	684	890	303	536	231	663	1.018	766	171
4										
Revalued at 1970 prices										
1970	9,380	130	2,130	783	1,183	475	1,315	1,643	1,447	274
1971	9,544	151	1,991	719	1,220	519	1,385	1,752	1,524	283
1972	9,754	182	1,738	608	1,302	598	1,489	1,871	1,650	316
1973	10,008	211	1,864	596	1,421	639	1,632	1,757	1,595	293
1974	9,805	437	2,099[3]	567	1,233	574	1,548	1,673	1,441	233
Unadjusted										
1973 *1*	2,588	54	449	176	368	153	425	438	447	78
2	2,351	51	421	141	323	155	387	443	356	74
3	2,468	51	488	143	326	159	389	443	396	73
4	2,601	55	506	136	404	172	431	433	396	68
1974 *1*	2,584	95	510	166	295	145	415	438	463	57
2	2,252	102	488	119	295	134	389	379	295	51
3	2,373	115	515	132	270	137	372	413	360	59
4	2,596	125	586[3]	150	373	158	372	443	323	66
1975 *1*	2,516	163	488	157	328	119	370	448	381	62
2	2,312	174	435	129	278	124	348	443	309	72
3	2,474	283	432	143	279	127	339	440	355	76
4										
Seasonally adjusted										
1973 *1*	2,555	51	458	153	386	155	417	445	405	85
2	2,434	53	443	157	314	162	390	448	395	72
3	2,506	52	488	150	342	164	402	437	401	70
4	2,513	55	475	136	379	158	423	427	394	66
1974 *1*	2,532	92	519	143	305	147	405	442	417	62
2	2,339	104	514	133	289	139	394	385	331	50
3	2,418	116	517	139	286	141	386	408	369	56
4	2,516	125	549[3]	152	353	147	363	438	324	65
1975 *1*	2,472	158	497	135	342	122	360	452	341	65
2	2,408	178	461	144	272	129	353	451	346	74
3	2,517	286	437	150	292	131	351	435	361	74
4										

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[1] Further details are given in the *Monthly Digest of Statistics.*

[2] Covers agriculture, forestry, fishing, construction and other service industries.

[3] The figures given for manufacturing in the fourth quarter of 1974 are consistent with the annual figures given in *National income and expenditure 1964-74* but differ from later estimates given on page 18.

Value of physical increase in stocks and work in progress

TABLE 14

£ million

	At current prices					Revalued at 1970 prices									
						Unadjusted					Seasonally adjusted				
			Distributive trades					Distributive trades					Distributive trades		
	Total	Manufacturing[1]	Retail	Wholesale	Other industries	Total	Manufacturing	Retail	Wholesale	Other industries	Total	Manufacturing[1]	Retail	Wholesale	Other industries
Book value of stocks and work in progress at end-December 1974	31,253	18,621	2,722	3,417	6,493	18,612	10,755	1,811	1,918	4,128	18,612	10,755	1,811	1,918	4,128
1970	450	325	−23	68	80	450	325	−23	68	80	450	325	−23	68	80
1971	99	−163	−5	54	213	70	−148	−4	52	170	70	−148	−4	52	170
1972	17	−190	4	58	145	−5	−175	3	48	119	−5	−175	3	48	119
1973	967[2]	448	98	126	295	960	396	242	102	220	960	396	242	102	220
1974	1,082	1,096	−168	189	−35	553	666	−124	81	−70	553	666	−124	81	−70
1973 *1*	292	160	47	1	84	261	155	39	7	60	353	166	32	37	118
2	167[2]	86	7	−6	80	342	97	167	—	78	274	88	163	4	19
3	281	26	5	95	155	191	18	4	70	99	155	46	22	29	58
4	227	176	39	36	−24	166	126	32	25	−17	178	96	25	32	25
1974 *1*	−391	−33	−82	−53	−223	−264	−41	−65	−15	−143	−174	−31	−73	18	−88
2	620	305	20	120	175	342	197	15	38	92	274	191	11	43	29
3	748	641	−66	84	89	391	340	−47	46	52	359	368	−28	3	16
4	105	183	−40	38	−76	84	170	−27	12	−71	94	138	−34	17	−27
1975 *1*	−648	−196	−80	−159	−213	−275	−24	−51	−66	−134	−171	−4	−57	−31	−79
2	−368	−198	−79	−124	33	−223	−109	−48	−58	−8	−288	−112	−52	−54	−70
3	−209	−468	72	40	147	−125	−238	42	15	56	−157	−211	60	−25	19
4															

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[1] Further details are given in the *Monthly Digest of Statistics.*

[2] The second quarter of 1973 includes a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT. The rebate has been allocated at current prices as follows:—

	£ million
Manufacturers	34
Wholesalers	36
Retailers	181
Other industries	29

This allocation is to some extent arbitrary, and therefore should be regarded as approximate.

Developments in methods of estimating manufacturers' stock changes

MOIRA O'CONNOR, *Statistician*, Department of Industry

Introduction

The Department of Industry is responsible for producing quarterly estimates of the value of physical changes in the stocks and work in progress[*] of manufacturing (as well as distributive) industries. It also provides the corresponding estimates of stock appreciation for use in compiling the national accounts. For these purposes it collects, either monthly or quarterly, value figures of opening and closing stock levels from a large sample of manufacturing firms and produces grossed-up estimates. These are revised each year as the results of the Annual Census of Production (with its almost complete coverage) become available. The purpose of this paper is to give an insight into recent developments in the method of estimating the value of physical changes in the stocks held by manufacturing industry.

Existing method

The method used in the past, and still in use for the major part of manufacturers' stocks, has been set out in detail in an article published in *Economic Trends* in August 1966(1), a synopsis of which can be found in *National Accounts Statistics: Sources and Methods*(2). It is based on the adjustment of book values by price indices and involves assumptions about the appropriateness of the price indices[†], the length of time stock is held and the commodity composition of stocks (needed for weighting of price indices). Prior to 1973, an element of current weighting was introduced by the separate treatment of stocks of certain commodities for which figures of quantity changes were available. The methodology is strictly only appropriate when the values of stocks reported to the department reflect the lower of cost (using the 'First-in First-out'—(FIFO[‡])—convention) or net realisable value. This article describes how provision has been made for separate collection and treatment of stocks where these reflect a different method of valuation, known as 'standard costing'; although its existence has been known for a number of years, it is only in the last few years that the extent of its usage has been established.

Reason for change

The assumption of the original methodology on the valuation of stocks as reported to the Department was in accordance with what was known at the time about the majority of companies' valuation practices. It was only in 1971/2 that various investigations—the Business Statistics Office post-Census inquiry(3), a study by Liverpool University(4), some preliminary work for a project by the Department of Applied Economics, Cambridge, and a small survey conducted among a sample of its respondents by the then Department of Trade and Industry—indicated that the standard costing method of stock valuation had become fairly widespread in manufacturing industry.

It was therefore decided to collect and treat stocks valued at standard costs separately, both to avoid the errors involved in treating stocks valued in this way by the conventional methods and, on the positive side, to take advantage of the fact that they should give directly a value which can be taken to represent a physical stock change. From the beginning of 1973 all manufacturing industry contributors to the Department's short-term stocks inquiries were asked to split their stocks between those valued using a standard cost system and those valued by other methods. The latter continued to be treated as valued on the FIFO basis as most of them will have been. The initial response indicated that some 40 per cent by value of manufacturers' stocks as returned to the Department were valued using a standard costing system. (The proportion treated as at standard cost has since been revised to about 30 per cent for the reasons described below).

Standard costing

Under a standard cost system[§] every element entering into production cost is allocated a unit value (labour as well as components, etc.), which may be based on recent costs, current costs or expected future costs depending on the individual company's policy. Once these standards have been set, the value of a company's stock at standard cost can be determined by multiplication of quantities by standard costs. (This is of course more accurate at the time of a physical stocktaking than in the rest of the year). Some companies do not apply standard costs throughout; they may, for example, record materials at actual cost until they are incorporated into work in progress and only then apply a standard.

Standard costs are used primarily as a tool of management for the purposes of both budgetary control and administrative simplicity. A number of companies, however, record stocks at standard cost in their end-year financial accounts as well as their monthly or quarterly management accounts. This is accepted in the Statement of Standard Accounting

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[*] Hereafter the word 'stocks' is used to mean stocks and work in progress.

[†] Which may not, for example, adequately reflect the prices paid under long-term contracts for raw materials.

[‡] Defined by the Accounting Standards Steering Committee (Reference 5) as 'The calculation of the cost of stocks and work in progress on the basis that the quantities in hand represent the latest purchases or production'.

[§] The definition of standard costs given in Reference 5 is as follows: 'The calculation of the cost of stocks and work in progress on the basis of periodically predetermined costs calculated from management's estimates of expected levels of costs and of operations and operational efficiency and the related expenditure'.

Practice(5) provided that standard costs bear a reasonable relationship to actual costs.

Differences between standard cost and actual cost are generally described as variances and recorded in a separate variance account. Such differences may result from the volume of throughput diverging from that assumed when the standards were set as well as from variances in such items as materials, prices or usage. Even when standards are set to equal predicted average costs over the next year and the estimates of these averages prove to be correct, there will be variance adjustments during the year, although, in these particular conditions, they would cancel out over the year as a whole.

Standards are usually maintained for a year and the most common date of revision is the end of the company's financial year. Some companies as a matter of policy revalue more often while others have found recently that additional revaluations are necessary because their standards become out of date quickly with rapidly rising prices. About 28 per cent of the standard cost respondents to the short-term inquiries who showed revaluations in 1974 had more than one, as against 13 per cent in 1973.

Implications for stock calculations

It is not known how many of the contributors whose stocks are now treated as being at standard cost in the short term inquiry were giving stocks at standard cost without variances prior to 1973, although some certainly were. For any company returning stock figures based on standard costs, excluding variance adjustments, the pre-1973 method of treating their figures would be correct only at that point in the year when the standard costs were the same as actual costs. For the rest of the year, the deflation procedure would be incorrect, and the quarterly path of stock appreciation and value of physical change would be incorrectly estimated.

With most companies revaluing once a year, the errors might be thought to cancel out over the year as a whole for all manufacturing industry. In practice, this is not so. Price movements could lead to errors in either direction depending on their exact pattern. It can be shown that, if prices are rising at an even rate, physical changes will be under-estimated, whether increases or decreases. With the rates of inflation experienced before 1973, however, such errors would be small. If there had been a sharp acceleration of price increases such as experienced more recently, this would have led to under-estimation of stock increases (or over-estimation of decreases) because the end-year stock level would have been over-deflated by a greater proportion than the opening level. The exclusion of exceptional movements from the grossing-up procedure is standard practice and significant under-estimation of stock increases could result if respondents at date of revaluation tended to be treated as exceptional and therefore given reduced weight in the calculation. Although likely to have been a more important source of error prior to 1973 than the other factors mentioned, it is unlikely to have had a major effect on the estimates of stock changes.

The above sources of bias would be worsened by the fact that revaluation dates are not evenly spread over the year but concentrated on January 1 and April 1, and that standards, when set, do not on average relate to costs 6 months ahead but 2½ months ahead. These factors also distort the seasonal pattern and, although seasonal adjustment would help to even this out, it would not remove it completely, particularly when prices and/or stock levels were changing significantly.

The Department's main objective has always been to estimate the physical change in stocks, and the wider use of standard costing (SC) offers a new direct method which makes the uncertain process of removing stock appreciation unnecessary. Therefore separate treatment of these returns not only avoids the possible errors discussed above but should result in more accurate figures of physical stock changes than for stocks valued by other methods. It can also be shown that any given sampling errors will result in a smaller error in the estimate of the physical change in stocks valued at standard cost than in stocks valued by other methods.

In principle, the way in which SC stock figures are being collected is quite simple. The companies concerned are asked to give the value of their stock at SC excluding variances at the beginning and end of the accounting period on the same standards. When a re-valuation takes place, provision is made on the return for the opening stock to be valued on both the old and the new standards and in this way the differences in the value of stock at the same standard can be measured for each period and taken to represent a physical change at the standard costs set by the company.

Initially it was assumed that on average these changes could be taken to be at current prices since it was thought that most companies would be projecting their costs six months ahead, so that for every company six months ahead (just re-valued), there was another six months behind (just about to re-value). This was a crude assumption which has since been refined.

By the end of 1973 it was realised that a follow-up questionnaire was necessary as there were nearly 750 respondents purporting to use standard costs but under 200 had shown a revaluation in 1973. The April and second quarter forms had included a question about the date in 1973 when a revaluation could be expected but not all the respondents who had answered this had in fact shown a revaluation on the date given and, owing to the pressure of work in introducing the new system, they had not been queried at the time. This questionnaire was sent to the remaining 550 and the results are summarised in the Appendix.

Of the 400 replies some were not in fact using standard costs, in the sense intended, and some, although using SC, could not provide figures in the way required; stocks of these respondents were transferred to the 'other methods' part of the calculation. The remaining companies who did not reply have gradually been followed up and their figures transferred if necessary. Of the 600 contributors now being treated as SC, there are still about 70 (mainly smaller respondents) who have shown no revaluation at all as yet and some doubts must remain about the treatment of their figures.

The questionnaire was also used to check other assumptions being made in the calculation, for example, about the point in time to which standards are designed to relate when set. This enabled some refinements to be made to the calculation of stock changes derived from the SC returns.

Method of calculation from standard cost returns

The first step in the traditional method has always been to apply the movement in stocks during the quarter shown by the sample in each asset within each industry to the estimates already made of the closing book value of stocks for the previous quarter (such estimated aggregate stock levels are referred to as universes). Because standard cost stocks have to be treated quite separately from stocks valued by other methods, the existing estimate of the book value at end-1972/beginning-1973 (derived originally from the sample inquiry and now from the 1972 Annual Census of Production), had to be broken down between standard costs and other methods to start the new system. This breakdown was done *pro-rata* with the sample figures for each industry/asset cell. For this purpose the sample figures of standard cost stocks at 1 January 1973 after all first quarter revaluations were used. At that stage the standard cost figures should be nearly comparable to book values (that is stocks valued on the basis of actual cost using the FIFO convention) as it is estimated that the standard cost stocks at that date relate on average to December 1972 prices. This gave the opening universes (stock levels) for the standard cost and other methods (OM) calculations for the first quarter of 1973, which were then translated in the normal way into 1970 prices, current prices (average of the quarter) and, for standard costs, notional book values (see below).

To allow for respondents whose returns switch from SC to OM or *vice versa*, the opening universe is being broken down afresh between SC and OM at the beginning of each year. (In the revisions for *National Income and Expenditure 1964—74* (Blue Book), for example, a breakdown was calculated for the beginning of 1973, the beginning of 1974 and the beginning of 1975). The method used is as described above but in the latest year, care has to be taken to allow for any respondents whose returns for the relevant period are not yet available. Because the SC universes thus derived are then worked back to book values, on the assumption that the latter reflect actual cost[‖], the resulting estimate for the opening book value universe for each year will be lower than the closing universe for the previous year. The error will however be very small and, as the division between SC and OM should be about right on this method, it is not thought worth making a more complicated calculation. The book values for the end of one year and the beginning of the next, as derived from the Census, are not necessarily the same in any case[¶], so that a continuous series has to be specially created by adding/subtracting calculated changes in book values to the level at a certain date, currently end-1970.

Using the information about the spread and frequency of revaluation dates derived both from questionnaire replies and from the regular monthly and quarterly returns, together with the calculated average point in time to which new standards refer when introduced (for details see Appendix), a calculation has been made for each month of the 'base month' to which on average the prices underlying standard cost stocks returned in that month will relate. This is based on the data for manufacturing as a whole but is applied to each individual industry (there being insufficient information available to make the calculation separately for each industry). For the quarterly calculations, opening stock figures for respondents revaluing at the beginning of the second or third months of the quarter are adjusted to a post-revaluation basis to make them comparable with the end-quarter stocks.

The opening universe for the quarter (by definition equal, at 1970 prices, to the closing universe of the previous quarter) is put on to the base month prices and the changes shown by the sample (apart from any exceptional movements) are then applied, for each industry/asset, to the opening universe to derive the closing universe, also at base month prices. To get to an estimate of physical stock change at constant (1970) prices both the opening and closing universes at base month prices are divided by the price index of the base month and the difference is taken as the change in stocks at constant prices. These constant price levels are then reflated to current price levels (that is average of the month or quarter) to get the value of physical changes in stocks at current prices. They are also reflated to get notional book value levels and changes consistent with the usual assumption of firms' valuation at FIFO and lower of cost or net realizable value. This is done by applying the price indices, for the beginning and end of the period, which take account of the length of time stock is held. The difference between the estimates of physical changes at current prices and the changes between the levels of stocks at notional book values gives an estimate of stock appreciation.

The calculation procedure described above for standard cost stocks is very similar to the original method described in(1) and(2) but in reverse and with an additional stage in the calculation. No assumptions about the length of time stock is held need be made to estimate physical changes with standard cost stocks although it is taken into account when deriving the book value levels. In view of the impossibility of splitting stocks of particular commodities between those held by standard cost and by other respondents, the separate treatment of stocks of certain commodities has been discontinued. With the uncertainties involved in applying estimated average prices to quantity figures for these stocks, it is felt that any loss through this change is far outweighed by the advantages of treating standard cost stocks separately.

Stocks in the Annual Census of Production

As stocks figures estimated from the monthly and quarterly sample inquiries are revised each year in the light of the Annual Census of Production (ACOP) results, some provision has to be made for stock valued at standard cost to be shown separately in the ACOP. It did not prove possible to introduce this major change in the ACOP for 1973 but two exploratory questions were added, designed to measure the proportion of all manufacturing companies using SC and their ability to give beginning and end-year stocks on the same standards. A preliminary analysis of the replies showed that, weighted by value of stock, 43 per cent of larger establishments and 32 per cent of smaller (20 to 99 employees) used SC during the year and about 70 per

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[‖] When prices are rising, this involves a reduction. The post-revaluation SC stocks used in the calculation are estimated to relate on average to prices ruling in the previous December; however the price indices used for stocks at book values in December are averages taking account of the length of time the stock is held.

[¶] The differences being attributable to variations in valuation or coverage by firms between the years and to the procedures used for grossing up for non-response.

cent of them could give opening and closing stocks on the same standards.

It was therefore decided, with the agreement of the Census of Production Advisory Committee, to collect SC stocks separately in the ACOP for 1974 from establishments in all size groups. Unlike the monthly and quarterly forms, book values as well as SC are requested, both to maintain continuity with previous ACOPs and to check the notional book values now calculated from SC returns**.

Use of standard costs analysed by industry and asset

It may be of interest to note the breakdown of opening 1975 book values between standard cost and other methods in the six broad industry groups distinguished in published statistics:

Percentage opening 1975 stocks at standard cost†† by industry group

Food, drink and tobacco	20
Chemicals, coal and petroleum products ..	35
Metal manufacture	54
Engineering, shipbuilding, vehicles and metal goods	32
Textiles, leather and clothing	29
Other manufacturing	27
All manufacturing	32

By asset, the proportions of standard cost stocks to total stocks were 26 per cent for materials, stores and fuel, 30 per cent for work in progress and 43 per cent for finished goods.

Conclusion

The sharp rise in prices since 1973 has made the separate treatment of standard cost stocks both more difficult and more necessary. Because price rises accelerated soon after the change in method, the frequency of revaluations has increased and there have been some moves away from the standard cost system. This has necessitated close scrutiny of returns to ensure that they are correctly completed. The original method, however, with its dependence on price indices to estimate physical changes in stock, becomes subject to greater error in a time of rapidly rising prices. Thus, although there are still some problems in the treatment of standard cost stocks, their separation will have improved the estimates of physical changes in stocks from 1973 onwards.

Notes:

1. The author would like to acknowledge with thanks the work done on standard cost stocks by colleagues and ex-colleagues in Economics and Statistics Division 4A of the Department of Industry.

2. A more detailed note, including in particular the full tabulation of the results of the questionnaire (summarized in the Appendix to this article) and the algebra underlying the statements in the section on 'Implications for stock calculations' and elsewhere, can be obtained on request from: Department of Industry, Economics and Statistics Division 4A, Room 714, Sanctuary Buildings, 20 Great Smith Street, London SW1P 3DB. Telephone: 01-215 3543 or 5215.

References

[1] *Economic Trends* No. 82 August 1960 'Estimating changes in the volume of manufacturers' stocks' (HMSO 1960).

[2] *National Accounts Statistics: Sources and Methods* (HMSO 1968), Chapter XIII, especially pages 400 to 406.

[3] *Statistical News* No 17 May 1972, Post-Census Survey on the Census of Production 1970' (HMSO 1972).

[4] *Accounting and Business Research* No. 13 'Stock Valuation Practices in Consumer Durables Manufacturing Industry'. B. C. Dangerfield and E. Stephenson, Institute of Chartered Accountants in England and Wales, Winter 1973.

[5] *Statements of Standard Accounting Practice: 9 Stocks and work in progress.* Institute of Chartered Accountants in England and Wales, May 1975.

** However, 'book values', in the sense of the value of stock as shown in the balance sheet, may not be exactly what is required for comparison with profit figures, if stocks are entered at standard costs in the balance sheet and variances between standard and actual cost are allowed for elsewhere in the accounts.

†† That is valued at standard cost and treated as such in the calculation.

APPENDIX

Questionnaire on valuation of stocks at standard cost

The questionnaire was sent to about 550 respondents to the regular monthly and quarterly stocks inquiries at the end of January 1974. These were the respondents who had given stocks at standard cost since the instigation of the new form but had not shown a revaluation during 1973. Most replies came in over the period February to April and eventually 399 forms, over 70 per cent of those issued, were returned. A postal reminder was sent in mid-March and most large respondents outstanding towards the end of the period were telephoned. The non-respondents have gradually been followed up by telephone unless they subsequently made their revaluation practice clear on their form.

The main purpose of the questionnaire was to establish the date and amount of revaluation of standards where this had not been shown on the routine form. This was essential, since the stock changes shown were being treated as entirely volume movements and if in fact a sizeable change due to revaluation of standards was included, errors would be greater than under the old method. The opportunity was also taken to examine the relationship between financial year ends and revaluation dates, to check whether standard costs were used in all components of the three assets distinguished on Department of Industry forms, to find at what point in time the new standards were intended to represent actual cost and to check the basis of the stock figures in the annual accounts. This information made it possible to refine the methodology of the standard cost calculation and helped in considering how standard cost stocks could be distinguished in the Annual Census of Production.

Although 399 questionnaires were returned, the analysis of the results relates only to the 279 whose stocks have subsequently been treated as being at standard cost. Of the rest, some had misunderstood the form and were not using standard costs as defined in this context, some could not give figures without variances, some were revaluing frequently and could not always give stocks on both old and new standards at date of change and some were multi-establishment respondents with subsidiaries using different methods or different revaluation dates so that their stocks were better treated as 'other methods'. All the analyses are in terms of number of replies, with no weighting by value of stock. No analyses covering small numbers of returns (for example by industry group) are therefore included. In any case, the questionnaire was not sent to a random sample but to a particular set of respondents so that results have to be treated with some reserve.

Revaluation dates and year ends

Of the 246 respondents who revalued once a year, or less, 74 per cent revalued at their financial year end and a further 9 per cent within the following three months. Most of those who revalued more than once in 1973 had one revaluation at year end. Largely because so many company financial years start in January or April, revaluations were fairly concentrated on these two dates. Taking all companies for which information is available (including those which had shown revaluations on their regular returns during 1973 and were not therefore asked to complete a questionnaire), 36 per cent revalued in January and 22 per cent in April. Of companies responding to the questionnaire, 209 had revalued once in 1973, 27 more than once and 32 not at all (25 of them had however revalued in 1972).

Use of standard costs by item

Among the respondents to the questionnaire, standard costs were used most frequently for finished goods (94 per cent) followed by the elements of work in progress (about 90 per cent), with less using them for materials, stores and fuel. Within the latter category standard costs were used for fuel by only 31 per cent of the companies using standard costs whereas they were used by 61 per cent for components and by 72 per cent for raw materials. The pattern was fairly similar between industries except that in engineering, 84 per cent of respondents used standard costs for both materials and bought-in components.

Delay in availability of revalued stocks

Because of the importance of having stocks at both old and new standards at the time of revaluation, it was thought worth investigating whether any extension in the time given for returning the form would enable this information to be given. Over half of those who gave details said that the figures were available within a month and nearly all of them could make them available within 3 months. This implied that all the data would be available by the time the second estimate for each quarter is made and, bearing in mind that revaluation dates are concentrated at the beginning of each quarter, most of it would be available in time for the provisional estimate. As figures for a respondent who has revalued cannot be used until the opening stocks are available on the new standards, respondents are now asked to hold the form until this information is available.

Relationship of standards to actual costs

Another question asked the point in time at which standards were estimated to represent actual costs. Replies showed 35 per cent at revaluation date and just over 35 per cent 6 months ahead (or the estimated average for the coming year). Allowing for those whose standards represented costs prior to the revaluation date (presumably the date the new standards were worked out), the weighted average for the point in time at which standards were designed to represent actual costs came out at about 2½ months ahead of revaluation date.

Method of valuation in financial accounts

Respondents were also asked what method of valuation was used in their accounts at the end of the financial year and what were the figures entered for the financial year ending in 1973. 40 per cent stated that standard costs were used in their end-year accounts, 22 per cent for all stocks and 18 per cent for part. Nearly all the latter group also used them for only part of their stock during the year so that there was little change in practice at year end. These percentages exclude those who specified that variances were added although they may of course include some who intended this implication. In any case the standard cost stocks as they appeared in the accounts must presumably have been reasonably close to actual cost to have been acceptable. This would apply even to the 14 per cent of all respondents who were using old standards for their end-year accounts, which implied they were between 3 and 15 months out of date, and to the considerably smaller percentage whose replies implied that stocks were valued at estimated costs up to 6 months ahead.

For about 60 per cent of those respondents who claimed to be using standard costs for stocks in their financial accounts, the figures quoted on the questionnaire agreed with those on the regular returns, indicating that variances were probably excluded. For many of the remaining 40 per cent no direct comparisons with the regular returns could be made either because the coverage of the end year figures was different or because the short term figures for the relevant period were not available.

Use made of questionnaire results

The spread of revaluation dates was used in conjunction with the average point in time represented by new standards (assuming questionnaire respondents are representative of all standard cost users in this respect) to calculate the average date to which the standard cost stocks reported at any given time would relate. If the weighted average difference between date of revaluation and date to which standards are estimated to relate (excluding those revaluing more than once a year) is taken as x, the numbers revaluing once a year as w_1 for January, w_2 for February, etc., the post revaluation stock at 1 January (ignoring for the moment multiple revaluations) will be made up as follows:

Companies revaluing in	*Date represented by stocks*	*Weights (Nos. revaluing in each month)*
January	$+x$	w_1
February	$-11+x$	w_2
March	$-10+x$	w_3
⋮	⋮	⋮
December	$-1+x$	w_{12}

weighted average

$$=\frac{w_1x+w_2(-11+x)+w_3(-10+x)\;.\;.\;.\;+w_{12}(-1+x)}{\Sigma w}$$

$$=\frac{x\Sigma w-(11w_2+10w_3\ldots\ldots\ldots\ldots+w_{12})}{\Sigma w}$$

$$=x-\frac{(11w_2+10w_3\ldots\ldots\ldots\ldots+w_{12})}{\Sigma w}$$

The inclusion of multiple revaluations complicates the algebra considerably but, allowing for them also, the weighted average for January 1973 worked out at −1·4 months, implying that standard cost stocks on average related to costs operating the previous November. Similarly the weighted average for February can be calculated as:

$$=x-\frac{(11w_3+10w_4\ldots\ldots\ldots\ldots+2w_{12}+w_1)}{\Sigma w}$$

plus allowance for multiple revaluations, which equalled −2·0 months. Because of the much smaller proportions revaluing later in the year these lags became longer with the lag for December −4·3 months, implying that December figures related on average to costs in July.

These calculations were used to determine what price index to apply to stocks returned at standard costs during 1973 and early 1974. They have since been amended to take account of the greater frequency of revaluation in 1974 which implied slightly smaller lags; December 1974 figures, for example, have been taken to relate to August 1974 costs. These calculations did not allow for the possibility of any bias in companies' forward estimate of cost increases. In fact, there could have been a degree of under-estimation which would reduce the value of x (taken as $2\frac{1}{2}$ months) and increase the lags.

The main use of the questionnaire was to correct, where necessary, the figures for individual respondents to allow for revaluations not reported at the time and to check which companies were giving information which could be used in the standard cost part of the calculation. Following analysis of the questionnaires, a number of companies' figures were transferred to the 'other methods' part of the calculation and the method of handling the standard cost side was revised to take account of the calculations reported above. Thus the 1973 estimates of stock changes were completely recalculated after receipt of the questionnaires, resulting in a reduced estimate of volume increase.

The relationships between date of revaluation and financial year end and the proportions who revalue more than once a year or do not revalue each year were used to give an idea of what proportion of companies were likely to be able to give stocks for census purposes at the beginning and end of a year on the same standards. This was a useful cross-check on the result of the exploratory question on this point in the 1973 Census.

Round-up: What's new in economic statistics

Average earnings

The coverage of the average earnings index is being extended to the whole economy as from January 1976, thus bringing it into line with other main economic indicators. The additional sectors to be covered include the distributive trades, the financial sector, postal services, professional and scientific services and national and local government services. All the present series, including the seasonally adjusted ones, will continue to be issued each month.

Short-term export prospects

The top 75 exporting companies in the United Kingdom were approached by the Department of Trade in October 1975 for their estimates of export deliveries up to the middle of 1976. The results of the survey are published in *Trade and Industry*, 19 December 1975.

Estimates of average household incomes for small areas

The Department of the Environment has commissioned a research project designed to test a method of estimating average household incomes for wards and parishes. 1972 General Household Survey data is being used within OPCS to develop an equation which will relate incomes to other personal and household characteristics. If this method produces estimates of household income which are sufficiently close to actual income the project will proceed to derive an approximate measure of the confidence limits within which the average household income can be estimated for an individual ward. If the project is successful it will be possible to estimate average household incomes from the 1971 Census Small Area Statistics. It is hoped to publish the results during 1976 as one of the series of DOE research reports.

Vacancy statistics

As a consequence of the Sex Discrimination Act, 1975, it is generally no longer possible for employers to notify employment offices or careers offices of vacancies for workers of a specific sex. Therefore, the Department of Employment cannot continue to compile statistics of notified vacancies separately for males and females after December 1975. Monthly statistics of total vacancies remaining unfilled on specific dates will continue to be published.

New publications

Bank of England Statistical Abstract No. 2 (Price £3.00).

The first issue of the *Abstract* was published in 1971 and gave long runs of quarterly (and monthly) figures on financial subjects. When possible the period 1945-69 was covered. The tables were presented mostly in the same format as in the Bank's Quarterly *Bulletin*. The second issue continues these series and covers, generally, the years 1970-74. Copies of the *Abstract* are available from the Economic Intelligence Department, Bank of England, London, EC2R 8AH.

Index of sources

Data given on page 5 may be more recent than that shown elsewhere in the publication.

United Kingdom balance of payments; National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

	Page	*Source*	*Further statistics*
Average earnings (see Earnings)			
Balance of payments		Central Statistical Office	Financial Statistics Quarterly articles in Economic Trends
Current balance	5, 46, 48		
Invisibles	46		
Official reserves	48		
Total currency flow	48		
Bank advances (see Banking)			
Banking		Bank of England	Financial Statistics
Bank advances	60, 62		
Deposits with the banking sector	50, 52, 60		
Eligible liabilities, reserve ratio, special deposits and supplementary deposits	62		
Notes and coin in circulation with the public	50		
Bank of England's minimum lending rate (see Interest rates)			
Building societies		Central Statistical Office Building Societies Association	Financial Statistics
Average prices of new dwellings on mortgage (see Housing)			
Net increase in shares and deposits	20		
New commitments for mortgages	20		
Recommended share rate (see Interest rates)			
Car registrations and production (see Motor vehicles)			
CBI Intentions Inquiry (see Fixed investment)			
Coal (see Fuel and power)			
Commercial vehicles, production (see Motor vehicles)			
Companies		Central Statistical Office	Financial Statistics
Appropriation account	58		
Financial companies			
Financial account, net acquisition of financial assets	56		
Saving	56, 58		
Gross trading profits	58		
In relation to total domestic income	14		
Income	58		Monthly Digest of Statistics Financial Statistics
Industrial and commercial companies	58		
Financial account, net acquisition of financial assets	56		
Fixed investment	60		
Liquid assets, sources and uses of funds	60		
Saving	56, 58, 60		
Security prices and yields (see Interest rates)			
Stock appreciation	58		
Taxes	58		
Consols (see Interest rates)			
Construction industry		Department of the Environment	Housing and Construction Statistics
Index of industrial production (see Industrial production)			
Orders received	18, 20, 30		
Output	30		
Consumers' expenditure		Central Statistical Office	Monthly Digest of Statistics
Component categories	10		
In relation to personal income	10		
In relation to total final expenditure	14		
Per capita	14		
Current balance (see Balance of payments)			

	Page	Source	Further statistics
Distributive trades			
Output	28	Central Statistical Office	Monthly Digest of Statistics
(see also Retail sales; Stocks)			
Domestic income (see Incomes)			
Dwellings (see Housing)			
Earnings (average)		Department of Employment	Monthly Digest of Statistics Department of Employment Gazette
All employees	5, 40		
Employees in manufacturing industry	40		
Effective exchange rate of sterling	44	HM Treasury	Financial Statistics
Electricity (see Fuel and power)			
Eligible liabilities (see Banking)			
Employed labour force	34, 36	Central Statistical Office	Monthly Digest of Statistics
Employees in employment		Department of Employment	Monthly Digest of Statistics Department of Employment Gazette
All industries and services	34, 36		
Index of production industries, manufacturing industries	34		
Energy (see Fuel and power)			
Engineering industries		Department of Industry	Monthly Digest of Statistics Trade and Industry
Sales and orders: total, home market and export	30		
Expenditure (see Total final expenditure)			
Exports			
Of goods		Department of Industry	Monthly Digest of Statistics Trade and Industry
Unit value index	44		
Value	5, 46		
Volume index	44		
Of goods and services in relation to total final expenditure	8	Central Statistical Office	Monthly Digest of Statistics
Of passenger cars, commercial vehicles (see Motor vehicles)			
Orders: engineering industries (see Engineering industries)			
Final expenditure (see Total final expenditure)			
Financial accounts, analysis by sector	56	Central Statistical Office	Financial Statistics
Financial companies (see Companies)			
Fixed investment			
By industrial and commercial companies (see Companies)			
By sector and by type of asset	16	Central Statistical Office	Monthly Digest of Statistics Trade and Industry
Dwellings (see Housing)			
In relation to total final expenditure	8, 14		Monthly Digest of Statistics
Manufacturing industry			
CBI Intentions Inquiry	18	Confederation of British Industry	Industrial Trends Survey
Contractors' orders for private industrial work	18	Department of the Environment	Housing and Construction Statistics
In plant and machinery, new buildings and work	18	Department of Industry	Monthly Digest of Statistics Trade and Industry
Investment Intentions Inquiry	18		
Fuel and power			
Consumers' expenditure on fuel and light	10	Central Statistical Office	Monthly Digest of Statistics
Industrial production: index for gas, electricity and water industries	26		
Primary fuel input: total, coal and petroleum	24	Department of Energy	Monthly Digest of Statistics United Kingdom Energy Statistics Energy Trends
Public supply: gas and electricity	24		
Gas (see Fuel and power)			
Gross domestic fixed capital formation (see Fixed investment)			
Gross domestic product	6	Central Statistical Office	Monthly Digest of Statistics
And components of final expenditure	8		
In relation to output	28		
In relation to stocks	22		
Per capita	14		
Gross national product *per capita*	14	Central Statistical Office	Not published elsewhere

	Page	Source	Further statistics
Gross trading profits of companies (see Companies)			
Hire purchase debt	12	Department of Industry	Monthly Digest of Statistics Trade and Industry Financial Statistics
Hours worked	36	Department of Employment	Monthly Digest of Statistics Department of Employment Gazette
Housing			
Average price of new dwellings on mortgage	20	Department of the Environment Building Societies Association	Housing and Construction Statistics
Consumers' expenditure on housing	10	Central Statistical Office	Monthly Digest of Statistics
Fixed investment in dwellings	16, 20		
Orders received by contractors for new houses	20	Department of the Environment Scottish Development Department	Monthly Digest of Statistics Housing and Construction Statistics
Starts and completions	20		
Imports			
Of goods		Department of Industry	Monthly Digest of Statistics Trade and Industry
Unit value index	44		
Value	5, 46		
Volume index	44		
Of goods and services in relation to total final expenditure	8	Central Statistical Office	Monthly Digest of Statistics
Incomes		Central Statistical Office	Monthly Digest of Statistics
Company income (see Companies)			
Income from employment as a percentage of total domestic income (see also Wages; Earnings)	14		
Personal disposable income	10		
Per capita	14		
Personal income before tax	10		
Total domestic income	14		
Industrial and commercial companies (see Companies)			
Industrial production: index	5, 26	Central Statistical Office	Monthly Digest of Statistics
By market sector	26		
By selected industries	26		
In relation to output	28		
In relation to stocks (manufacturing industries)	22		
Inter-bank 3-month rate (see Interest rates)			
Interest rates	64	Central Statistical Office Bank of England HM Treasury Building Societies Association *Financial Times* Institute of Actuaries Faculty of Actuaries	Financial Statistics
Bank of England's minimum lending rate			
Building Societies Association recommended share rate			
Consols			
Financial Times index of industrial ordinary shares			
Inter-bank 3-month rate			
Local authorities 3-month deposit rate			
London clearing banks base rate and 7 day deposits			
Sterling certificates of deposit			
Treasury bill yield			
US $ deposits in London			
Invisibles (see Balance of payments)			
Local authorities 3-month deposit rate (see Interest rates)			
London clearing banks rates (see Interest rates)			
Manufacturing industry			
(See Banking; Employees in employment; Fixed investment; Hours worked; Industrial production; Output per person employed; Stocks; Wage rates; Wages and salaries)			
Money stock	5, 50, 52	Bank of England	Financial Statistics
Velocity of circulation	50	Central Statistical Office	

	Page	*Source*	*Further statistics*
Motor vehicles			
Consumers' expenditure on cars and motor-cycles	10	Central Statistical Office	Monthly Digest of Statistics
New car registrations	5, 12	Department of the Environment Department of Industry	Monthly Digest of Statistics Trade and Industry
Production of passenger cars and commercial vehicles: total and for export	32	Department of Industry	
Net acquisition of financial assets	56	Central Statistical Office	Financial Statistics
Notes and coin in circulation with the public (see Banking)			
Official reserves (see Balance of payments)			
Orders received			
By construction industry (see Construction)			
By contractors for private industrial work	18	Department of the Environment	Housing and Construction Statistics
By engineering industries (see Engineering)			
Output			
By construction industry (see Construction)			
By engineering industries (see Engineering)			
Index numbers by industry groups	28	Central Statistical Office	Monthly Digest of Statistics
Per person employed	34		
Overseas trade (see Exports; Imports; Visible trade)			
Personal disposable income (see Incomes)			
Personal income before tax (see Incomes)			
Petroleum (see Fuel and power)			
Population			
Estimates *per capita*, income, product and spending	14	Central Statistical Office	Not published elsewhere
Working	36	Department of Employment	Monthly Digest of Statistics Department of Employment Gazette
Prices			
Average price of new dwellings on mortgage (see Housing)			
Pensioner price indices	42	Department of Employment	Department of Employment Gazette
Retail prices index	5, 42		Monthly Digest of Statistics Department of Employment Gazette
Wholesale prices index; input and output	5, 42	Department of Industry	Monthly Digest of Statistics Trade and Industry
World commodity prices index	44		Not published elsewhere
Private sector			
Financial account, net acquisition of financial assets	56	Central Statistical Office	Financial Statistics
Gross fixed investment	14, 16		Monthly Digest of Statistics
Housing starts and completions (see Housing)			
Production (see Industrial production; Motor vehicles)			
Profits (see Companies)			
Public authorities' consumption of goods and services	8, 14	Central Statistical Office	Monthly Digest of Statistics
Public sector		Central Statistical Office	Financial Statistics
Borrowing requirement	52, 54		
Expenditure	54		
Financial account, net acquisition of financial assets	56		
Fixed investment	14, 16		
Housing starts and completions (see Housing)			
Receipts	54		
Purchasing power of the pound	42	Central Statistical Office	Not published elsewhere
Reserve ratio (see Banking)			

	Page	*Source*	*Further statistics*
Retail prices index (see Prices)			
Retail sales			
Volume index numbers	5, 12	Department of Industry	Monthly Digest of Statistics Trade and Industry
Value index numbers	12		
Ratio of distributors' stocks to retail sales	22	Central Statistical Office Department of Industry	
Regional unemployment rates (see Unemployment)			
Salaries (see Wages and salaries)			
Saving, company (see Companies)			
Savings ratio, personal	10	Central Statistical Office	Monthly Digest of Statistics
Special deposits (see Banking)			
Sterling certificates of deposit (see Interest rates)			
Sterling effective exchange rate	44	HM Treasury	Financial Statistics
Stock appreciation, company sector (see Companies)			
Stocks			
Changes by industry groups	22	Central Statistical Office	Monthly Digest of Statistics Trade and Industry
Ratios: total stocks to GDP(e), manufactured stocks to manufacturing production, distributors' stocks to retail sales	22		
Total changes in relation to GDP(e)	8		Monthly Digest of Statistics
Supplementary deposits (see Banking)			
Taxes		Central Statistical Office	Financial Statistics
On capital	54		
On income	54		
On expenditure	54		
Payment of taxes by companies	58		
Terms of trade	44	Department of Industry	Monthly Digest of Statistics Trade and Industry
Total currency flow (see Balance of payments)			
Total domestic income (see incomes)			
Total final expenditure on goods and services	8,14	Central Statistical Office	Monthly Digest of Statistics
Trade competitiveness index	44	HM Treasury	Not published elsewhere
Treasury bill yield (see Interest rates)			
Unemployment		Department of Employment	Monthly Digest of Statistics Department of Employment Gazette
Regional unemployment rates	38		
Total unemployed; unemployed excluding school-leavers and adult students	5, 36		
Unfilled vacancies	5, 36	Department of Employment	Monthly Digest of Statistics Department of Employment Gazette
Unit values of exports and imports (see Exports; Imports)			
Vacancies notified and remaining unfilled (see Unfilled vacancies)			
Velocity of circulation (see Money stock)			
Visible trade (see also Exports; Imports)	5, 44, 46	Central Statistical Office Department of Industry	Monthly Digest of Statistics Trade and Industry
Wage rates, basic weekly	40	Department of Employment	Monthly Digest of Statistics Department of Employment Gazette
Wages and salaries			
In relation to personal income before tax	10	Central Statistical Office	Monthly Digest of Statistics
Per unit of output	40	Central Statistical Office Department of Employment	Monthly Digest of Statistics Department of Employment Gazette
Wholesale prices index (see Prices)			
Working population (see Population)			

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	1974
January	A calendar of economic events
February	An assessment of the sensitivity of the national accounts constant price estimates to changes in the base year and alternative methods of calculation
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	Estimating companies' rate of return on capital employed
	The effects of rebasing and some alternative methods of calculation on the output-based measure of gross domestic product
December	The incidence of taxes and social service benefits in 1973
	Expenditure patterns of retired persons at or immediately above their supplementary benefit level in October 1972
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	Insolvency statistics for England and Wales
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	Summary input-output tables for 1971
May	Private non-profit-making bodies serving persons
	Further estimates of regional gross domestic product
	An additional series of agricultural price indices
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